

CHAPTER 624 - CONTRACTORS

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- Financial responsibility of applicant or licensee: Standards and criteria for determination.
Financial responsibility of applicant or licensee: Additional requirements for certain applicants and licensees engaged in residential construction.
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Payment of child support: Submission of certain information by applicant; grounds for denial of license; duty of Board. [Effective on the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings and expires by limitation 2 years after that date.]
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Bond and deposit: Person benefited; actions; payment by surety without action by court; interpleader by surety or Board; preferred claims; prohibited claims.
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Bond and deposit: Additional requirements for contractors performing work concerning residential pools or spas.
Regulations concerning fees; limitation on amount.
Fee for license issued in expedited manner; reimbursement to Board for costs and expenses; regulations concerning application for license issued in expedited manner.
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Member of Board authorized to inform Executive Officer of allegation of ground for disciplinary action; action by Executive Officer.
Disciplinary actions against licensee; private reprimands prohibited; orders imposing discipline deemed public records; deposit of fines in Construction Education Account.

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- Abandonment or failure to complete or prosecute diligently project for construction; willful failure to comply with terms of contract or written warranty.
Disregard of plans, specifications, laws or regulations.
Diversion of money; failure to pay for materials or services; failure to release lien against property to be improved.
Failure to keep records or maintain bond; misrepresentation; failure to establish financial responsibility or comply with law or regulations of Board.
Misuse of license; evasion of law.
Acting beyond scope of license; bidding on work in excess of limit or beyond scope of license; contracting with unlicensed contractor; constructing or repairing mobile home, manufactured home or commercial coach; engaging in work that requires license while license is inactive.
Fraudulent or deceitful acts; criminal conviction; improper acts involving liens; improper acts involving residential pools and spas; failure to make required disclosure; failure to pay assessment; improper acts involving contract for public work.
Unfair business practices: Misrepresentations involving need for service, replacement parts, equipment or repairs; false or misleading statements.
Substandard workmanship; incomplete advertising; advertising projects beyond scope of license.
Suspension of license for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of license. [Effective until 2 years after the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
Certain persons prohibited from serving as officer, director, associate or partner of licensee.
Contracting, offering to contract or submitting bid if license is suspended, revoked or inactive; failure to comply with written citation or pay administrative fine; suspension or revocation of license in other state or disciplinary action in other state; failure or refusal to respond to or comply with written requests of Board.
Unlawful use, assignment or transfer of license; revocation of license.

PROCEEDINGS

- [NRS 624.320](#)
Allegation and proof of license in action on contract.

- [NRS 624.323](#) Licensee subject to disciplinary proceeding must submit financial statement and other information to Board; authority of Board to take certain actions to protect public.
- [NRS 624.327](#) Certain records relating to investigation deemed confidential; certain records relating to disciplinary action deemed public records.
- [NRS 624.331](#) Complaint against licensee must be written and filed within certain period; Board must act on complaint within certain period.
- [NRS 624.335](#) Investigation of complaint by Investigations Office; notification of actions taken; resolution of complaint by Investigations Office; forwarding of complaint to appropriate agency for resolution.
- [NRS 624.341](#) Administrative citation; order to take corrective action; penalty.
- [NRS 624.345](#) Contest of administrative citation: Time limit; effect of failure to contest citation within time limit; extension of time to contest citation; service of citation.
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- [NRS 624.400](#) Definitions.
- [NRS 624.410](#) "Account" defined.
- [NRS 624.420](#) "Injured person" defined.
- [NRS 624.430](#) "Owner" defined.
- [NRS 624.440](#) "Qualified services" defined.
- [NRS 624.450](#) "Residential contractor" defined.
- [NRS 624.460](#) "Subsequent owner" defined.
- [NRS 624.470](#) Establishment of account; reference to account as "Recovery Fund"; collection of biennial assessment; reduction in amount of assessment under certain circumstances; use of money in account.
- [NRS 624.480](#) Limitation on time to file complaint seeking recovery.
- [NRS 624.490](#) Application to Board for satisfaction of judgment from account.
- [NRS 624.500](#) Hearing on complaint; limitation on time for acting on complaint.
- [NRS 624.510](#) Eligibility for recovery from account; maximum amount of individual recovery from account; Board subrogated to rights of injured person; maximum amount of recovery from account for claims against individual contractor.
- [NRS 624.520](#) Contractor to notify owner of rights related to account; written statement; administrative fine for noncompliance.
- [NRS 624.530](#) Board retains authority to pursue disciplinary action against residential contractor.
- [NRS 624.540](#) Annual statement of condition of account to Legislature; employment of necessary persons; procurement of necessary equipment, supplies and services; interest credited to account; limit on expenditures.
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RIGHTS, DUTIES AND LIABILITIES UNDER CERTAIN AGREEMENTS FOR WORKS OF IMPROVEMENT

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- [NRS 624.606](#) Definitions.
- [NRS 624.607](#) "Higher-tiered contractor" defined.
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- [NRS 624.6084](#) "Owner" defined.
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AGREEMENTS BETWEEN OWNER AND PRIME CONTRACTOR

- [NRS 624.609](#) Payment of prime contractor during performance of agreement; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding, notice of objection or notice of correction.
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- [NRS 624.620](#) Payment of prime contractor after work of improvement is available for use or occupancy; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding or notice of correction; partial payments.
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AGREEMENTS BETWEEN HIGHER-TIERED CONTRACTOR AND LOWER-TIERED SUBCONTRACTOR

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notice of withholding, notice of objection or notice of correction.

[NRS 624.626](#)

Grounds and procedure for stopping work or terminating agreement; change orders; damages and other remedies; rights of lower-tiered subcontractors after work stoppage or termination of agreement; limitations on liability.

[NRS 624.628](#)

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PAYMENT OF INTEREST

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[NRS 624.955](#)

Limitations on certain lending and financial practices.

[NRS 624.960](#)

Contractor who commits certain violations may be required to obtain services of construction control.

[NRS 624.965](#)

Grounds for disciplinary action; unlawful acts; penalties.

GENERAL PROVISIONS

NRS 624.005 Legislative declaration. The Legislature declares that the provisions of this chapter relating to the discipline of licensees are intended to promote public confidence and trust in the competence and integrity of licensees and to protect the health, safety and welfare of the public.

(Added to NRS by 1989, 526)

NRS 624.006 Definitions. As used in this chapter, unless the context otherwise requires, the words and terms defined in [NRS 624.010](#) to [624.029](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [2003, 1896, 2139](#); A [2005, 1223](#))

NRS 624.010 “Board” defined. “Board” means the State Contractors’ Board.

(Added to NRS by [2003, 1899, 2140](#))

NRS 624.015 “Construction control” defined. “Construction control” has the meaning ascribed to it in [NRS 627.050](#).

(Added to NRS by [2003, 1897](#))

NRS 624.020 “Contractor” synonymous with “builder”; “contractor” defined.

1. “Contractor” is synonymous with “builder.”

2. A contractor is any person, except a registered architect or a licensed professional engineer, acting solely in his professional capacity, who in any capacity other than as the employee of another with wages as the sole compensation, undertakes to, offers to undertake to, purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck or demolish any building, highway, road, railroad, excavation or other structure, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith. Evidence of the securing of any permit from a governmental agency or the employment of any person on a construction project must be accepted by the Board or any court of this State as prima

facie evidence that the person securing that permit or employing any person on a construction project is acting in the capacity of a contractor pursuant to the provisions of this chapter.

3. A contractor includes a subcontractor or specialty contractor, but does not include anyone who merely furnishes materials or supplies without fabricating them into, or consuming them in the performance of, the work of a contractor.

4. A contractor includes a construction manager who performs management and counseling services on a construction project for a professional fee.

5. A contractor does not include an owner of a planned unit development who enters into one or more oral or written agreements with one or more general building contractors or general engineering contractors to construct a work of improvement in the planned unit development if the general building contractors or general engineering contractors are licensed pursuant to this chapter and contract with the owner of the planned unit development to construct the entire work of improvement.

[2:Art. II:186:1941; A 1955, 378] + [3:Art. II:186:1941; 1931 NCL § 1474.11]—(NRS A 1975, 831; 1977, 319; 1997, 1037; [2001, 1621](#); [2003, 1899, 2140](#); [2005, 1223](#))

NRS 624.024 “Knowingly” defined. “Knowingly” imports a knowledge that the facts exist which constitute the act or omission, and does not require knowledge of the prohibition against the act or omission. Knowledge of any particular fact may be inferred from the knowledge of such other facts as should put an ordinarily prudent person upon inquiry.

(Added to NRS by [2003, 2139](#))

NRS 624.027 “Planned unit development” defined. “Planned unit development” has the meaning ascribed to it in [NRS 278A.065](#).

(Added to NRS by [2005, 1223](#))

NRS 624.029 “Work of improvement” defined. “Work of improvement” has the meaning ascribed to it in [NRS 108.22188](#).

(Added to NRS by [2005, 1223, 1721](#))

NRS 624.031 Applicability of chapter: Exemptions. The provisions of this chapter do not apply to:

1. Work performed exclusively by an authorized representative of the United States Government, the State of Nevada, or an incorporated city, county, irrigation district, reclamation district, or other municipal or political corporation or subdivision of this State.

2. An officer of a court when acting within the scope of his office.

3. Work performed exclusively by a public utility operating pursuant to the regulations of the Public Utilities Commission of Nevada on construction, maintenance and development work incidental to its business.

4. An owner of property who is building or improving a residential structure on the property for his own occupancy and not intended for sale or lease. The sale or lease, or the offering for sale or lease, of the newly built structure within 1 year after its completion creates a rebuttable presumption for the purposes of this section that the building of the structure was performed with the intent to sell or lease that structure. An owner of property who requests an exemption pursuant to this subsection must apply to the Board for the exemption. The Board shall adopt regulations setting forth the requirements for granting the exemption.

5. Any work to repair or maintain property the value of which is less than \$1,000, including labor and materials, unless:

(a) A building permit is required to perform the work;

(b) The work is of a type performed by a plumbing, electrical, refrigeration, heating or air-conditioning contractor;

(c) The work is of a type performed by a contractor licensed in a classification prescribed by the Board that significantly affects the health, safety and welfare of members of the general public;

(d) The work is performed as a part of a larger project:

(1) The value of which is \$500 or more; or

(2) For which contracts of less than \$500 have been awarded to evade the provisions of this chapter; or

(e) The work is performed by a person who is licensed pursuant to this chapter or by an employee of that person.

6. The sale or installation of any finished product, material or article of merchandise which is not fabricated into and does not become a permanent fixed part of the structure.

7. The construction, alteration, improvement or repair of personal property.

8. The construction, alteration, improvement or repair financed in whole or in part by the Federal Government and conducted within the limits and boundaries of a site or reservation, the title of which rests in the Federal Government.

9. An owner of property, the primary use of which is as an agricultural or farming enterprise, building or improving a structure on the property for his use or occupancy and not intended for sale or lease.

[1:Art. III:186:1941; A 1951, 47] + [2:Art. III:186:1941; 1943 NCL § 1474.14] + [3:Art. III:186:1941; A 1951, 47] + [4:Art. III:186:1941; A 1947, 307; 1951, 47] + [5:Art. III:186:1941; 1931 NCL § 1474.17] + [6:Art. III:186:1941; 1931 NCL § 1474.18] + [7:Art. III:186:1941; A 1951, 47] + [9:Art. III:186:1941; A 1947, 307; 1943 NCL § 1474.21]—(NRS A 1975, 1167; 1987, 1730; 1989, 1629; 1997, 2019, 3162; [2001, 2409](#); [2007, 855](#))

NRS 624.033 Applicability of chapter: Contract pertaining to federal aid. If any provision or condition contained in this chapter conflicts with any provision of federal law, or a rule or regulation made under federal law pertaining to federal aid contracts, such provision in conflict with the federal law, rule or regulation does not apply on federal aid contracts to the extent such conflict exists, but all provisions of this chapter with which there is no such conflict do apply to federal aid contracts.

[1:Art. VIII:186:1941; 1931 NCL § 1474.33]—(NRS A 1969, 940)—(Substituted in revision for NRS 624.340)

NRS 624.035 County or municipality may impose additional requirements for contractor’s license. The provisions of this chapter shall not be construed to prevent the governing body of any county or incorporated city requiring an additional contractor’s license within such political subdivision issued subject to the applicant meeting such additional standards as are reasonable and necessary for the protection of the public in the political subdivision.

[5:Art. VIII:186:1941; added 1955, 378]—(Substituted in revision for NRS 624.350)

STATE CONTRACTORS’ BOARD

NRS 624.040 Creation; number and appointment of members. There is hereby created the State Contractors’ Board to consist of seven members to be appointed by the Governor.

[Part 1:Art. I:186:1941; 1931 NCL § 1474.01]

NRS 624.050 Qualifications of members.

1. Six members of the Board must each:
 - (a) At the time of appointment, hold an unexpired license to operate as a contractor.
 - (b) Be a contractor actively engaged in the contracting business and must have been so engaged for not less than 5 years preceding the date of his appointment.
 - (c) Have been a citizen and resident of the State of Nevada for at least 5 years next preceding his appointment.
2. One member of the Board must be a representative of the general public. This member must not be:
 - (a) A licensed contractor; or
 - (b) The spouse or the parent or child, by blood, marriage or adoption, of a licensed contractor.[2:Art. I:186:1941; 1931 NCL § 1474.02]—(NRS A 1985, 47; [2003, 1188](#))

NRS 624.070 Certificate of appointment; oath of office. Each member of the Board shall:

1. Receive a certificate of appointment from the Governor.
 2. Before entering upon the discharge of the duties of his office, take the constitutional oath of office.
- [4:Art. I:186:1941; 1931 NCL § 1474.04]

NRS 624.080 Regular and special meetings; notice.

1. The Board shall hold such meetings as may be necessary for the purpose of transacting its business.
 2. Four members of the Board may call a special meeting at any time.
 3. Due notice of each meeting and of the time and place thereof shall be given each member in the manner provided by the bylaws.
- [Part 5:Art. I:186:1941; 1931 NCL § 1474.05]

NRS 624.090 Quorum. Four members of the Board shall constitute a quorum.

[Part 5:Art. I:186:1941; 1931 NCL § 1474.05]

NRS 624.100 Appointment of committees; adoption of bylaws, rules of procedure and regulations; advisory committees.

1. The Board may appoint such committees and make such reasonable bylaws, rules of procedure and regulations as are necessary to carry out the provisions of this chapter.
 2. The Board may establish advisory committees composed of its members or employees, homeowners, contractors or other qualified persons to provide assistance with respect to fraud in construction, or in any other area that the Board considers necessary.
 3. If the Board establishes an advisory committee, the Board shall:
 - (a) Select five members for the committee from a list of volunteers approved by the Board; and
 - (b) Adopt rules of procedure for informal conferences of the committee.
 4. If the Board establishes an advisory committee, the members:
 - (a) Serve at the pleasure of the Board.
 - (b) Serve without compensation, but must be reimbursed for travel expenses necessarily incurred in the performance of their duties. The rate must not exceed the rate provided for state officers and employees generally.
 - (c) Shall provide a written summary report to the Board, within 15 days after the final informal conference of the committee, that includes recommendations with respect to actions that are necessary to reduce and prevent the occurrence of fraud in construction, or on such other issues as requested by the Board.
 5. The Board is not bound by any recommendation made by an advisory committee.
- [Part 5:Art. I:186:1941; 1931 NCL § 1474.05]—(NRS A 1997, 2687)

NRS 624.105 Designation of Ombudsman for Residential Pools and Spas; duties.

1. The Board shall designate an employee as Ombudsman for Residential Pools and Spas.
2. The Ombudsman for Residential Pools and Spas shall:
 - (a) Assist owners of single-family residences and contractors to understand their rights and responsibilities as set forth in [NRS 624.900](#) to [624.965](#), inclusive, and any regulations adopted pursuant thereto.
 - (b) Notify the Board if it appears that any person has engaged in any act or practice that constitutes a violation of any of the provisions of this chapter or any regulations adopted pursuant thereto.(Added to NRS by [2001, 2980](#))

NRS 624.110 Offices; maintenance, inspection and confidentiality of records and reports.

1. The Board may maintain offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter, but it shall maintain one office in which there must be at all times open to public inspection a complete record of applications, licenses issued, licenses renewed and all revocations, cancellations and suspensions of licenses.
 2. Except as otherwise required in [NRS 239.0115](#) and [624.327](#), credit reports, references, financial information and data pertaining to a licensee's net worth are confidential and not open to public inspection.
- [1:Art. V:186:1941; 1931 NCL § 1474.27]—(NRS A 1963, 145; 1967, 1592; 1987, 1138;
- [2003, 1899](#)
- ,
- [3422](#)
- ;
- [2007, 2131](#)
-)

NRS 624.112 Investigations Office: Establishment; qualifications of investigators.

1. The Board shall:
 - (a) Establish an Investigations Office to enforce the provisions of this chapter. The Investigations Office must consist of criminal investigators and compliance investigators.
 - (b) Adopt regulations setting forth the qualifications required for investigators employed to carry out this section.
 2. As used in this section, "criminal investigator" means a person authorized to perform the duties set forth in subsection 2 of [NRS 624.115](#).
- (Added to NRS by
- [1999, 2950](#)
- ; A
- [2007, 856](#)
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NRS 624.115 Employment of necessary personnel; authority of Board concerning criminal investigators and compliance investigators employed by Board.

1. The Board may employ attorneys, investigators and other professional consultants and clerical personnel necessary to the discharge of its duties.
2. The Board may require criminal investigators who are employed by the Board pursuant to [NRS 624.112](#) to:
 - (a) Conduct a background investigation of:

- (1) A licensee or an applicant for a contractor's license; or
- (2) An applicant for employment with the Board;
- (b) Locate and identify persons who:
 - (1) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;
 - (2) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or
 - (3) Otherwise violate the provisions of this chapter or the regulations adopted pursuant to this chapter;
- (c) Investigate any alleged occurrence of constructional fraud; and
- (d) Issue a misdemeanor citation prepared manually or electronically pursuant to [NRS 171.1773](#) to a person who violates a provision of this chapter that is punishable as a misdemeanor. A criminal investigator may request any constable, sheriff or other peace officer to assist him in the issuance of such a citation.

3. The Board may require compliance investigators who are employed by the Board pursuant to [NRS 624.112](#) to locate and identify persons who:

- (a) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;
 - (b) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or
 - (c) Otherwise violate the provisions of this chapter or the regulations adopted pursuant thereto.
- (Added to NRS by 1963, 145; A 1995, 926; [1999, 2954](#); [2001, 213](#); [2003, 1899](#); [2007, 856](#))

NRS 624.120 Seal. The Board shall adopt a seal for its own use. The seal must have imprinted thereon the words "State Contractors' Board, State of Nevada." The Executive Officer has the care and custody of the seal. A person shall not use, copy or reproduce the seal in any way not authorized by this chapter or the regulations of the Board.

[7:Art. I:186:1941; 1931 NCL § 1474.07]—(NRS A 1985, 1052; [1999, 2178](#))

NRS 624.135 Fiscal year. The Board shall operate on the basis of a fiscal year commencing on July 1 and terminating on June 30.

(Added to NRS by 1963, 145)

NRS 624.140 Use of money received by Board; delegation of authority concerning disciplinary action; deposit of certain money into Construction Education Account.

1. Except as otherwise provided in subsection 3, if money becomes available from the operations of this chapter and payments made for licenses, the Board may pay from that money:

- (a) The expenses of the operations of this chapter, including the maintenance of offices.
- (b) The salary of the Executive Officer who must be named by the Board.
- (c) A salary to each member of the Board of not more than \$150 per day, as fixed by the Board, while engaged in the business of the Board.
- (d) A per diem allowance and travel expenses for each member and employee of the Board, at a rate fixed by the Board, while engaged in the business of the Board. The rate must not exceed the rate provided for state officers and employees generally.

2. The Board may delegate to a hearing officer or panel its authority to take any disciplinary action pursuant to this chapter, impose and collect fines therefor and deposit the money therefrom in banks, credit unions or savings and loan associations in this State.

3. Except as otherwise provided in [NRS 624.520](#), if a hearing officer or panel is not authorized to take disciplinary action pursuant to subsection 2, the Board shall deposit any money collected from the imposition of fines with the State Treasurer for credit to the Construction Education Account created pursuant to [NRS 624.580](#).

[2:Art. V:186:1941; 1931 NCL § 1474.28]—(NRS A 1963, 146; 1975, 302; 1981, 1991; 1985, 1052; 1989, 1694; 1993, 883; [1999, 1528](#); [2001, 2411](#); [2007, 2941](#))

NRS 624.150 Election and duties of Treasurer; disposition of money.

1. The Board shall elect one of its members as Treasurer.

2. All money received by the Board shall be turned over to the Treasurer who shall keep books of account and who is authorized to deposit the money in banks, credit unions or savings and loan associations in the State of Nevada, and to expend money necessary for the operation of the Board under the terms of this chapter when the expenses have been approved by the Board.

3. All balances at any time in the possession of the Treasurer shall be subject to legislative disposition.

[3:Art. V:186:1941; 1931 NCL § 1474.29]—(NRS A 1963, 146; [1999, 1529](#))

NRS 624.160 Administration of chapter; provision of information to public concerning contractors and contracting; advisory opinions; investigation of persons acting as contractors.

1. The Board is vested with all of the functions and duties relating to the administration of this chapter.

2. The Board shall:

- (a) Carry out a program of education for customers of contractors.
- (b) Maintain and make known a telephone number for the public to obtain information about self-protection from fraud in construction and other information concerning contractors and contracting.
- (c) Collect and maintain records, reports and compilations of statistical data concerning investigations and complaints.

3. The Board may provide advisory opinions and take other actions that are necessary for the effective administration of this chapter and the regulations of the Board.

4. The Board may, on its own motion, and shall, upon receipt of a written complaint or upon receipt of information from a governmental agency, investigate the actions of any person acting in the capacity of a contractor, with or without a license.

[Part 5:Art. I:186:1941; 1931 NCL § 1474.05]—(NRS A 1997, 2687; [2007, 857](#))

NRS 624.165 Investigation of constructional fraud.

1. The Board shall:

- (a) Designate one or more of its employees for the investigation of constructional fraud;
- (b) Cooperate with other local, state or federal investigative and law enforcement agencies, and the Attorney General;
- (c) Assist the Attorney General or any official of an investigative or a law enforcement agency of this State, any other state or the Federal Government who requests assistance in investigating any act of constructional fraud; and
- (d) Furnish to those officials any information concerning its investigation or report on any act of constructional fraud.

2. The Board may obtain records of a law enforcement agency or any other agency that maintains records of criminal history, including, without limitation, records of:

- (a) Arrests;

- (b) Guilty and guilty but mentally ill pleas;
 - (c) Sentencing;
 - (d) Probation;
 - (e) Parole;
 - (f) Bail;
 - (g) Complaints; and
 - (h) Final dispositions,
- ↪ for the investigation of constructional fraud.
3. For the purposes of this section, constructional fraud occurs if a person engaged in construction knowingly:
- (a) Misapplies money under the circumstances described in [NRS 205.310](#);
 - (b) Obtains money, property or labor by false pretense as described in [NRS 205.380](#);
 - (c) Receives payments and fails to state his own true name, or states a false name, contractor's license number, address or telephone number of the person offering a service;
 - (d) Diverts money or commits any act of theft, forgery, fraud or embezzlement, in connection with a construction project, that violates a criminal statute of this State;
 - (e) Acts as a contractor without:
 - (1) Possessing a contractor's license issued pursuant to this chapter; or
 - (2) Possessing any other license required by this State or a political subdivision of this State;
 - (f) In any report relating to a contract for a public work, submits false information concerning a payroll to a public officer or agency; or
 - (g) Otherwise fails to disclose a material fact.
- (Added to NRS by 1997, 2686; A [1999, 2954](#); [2003, 1900, 2140](#); [2007, 1469](#))

NRS 624.170 Administration of oaths; taking of testimony and proofs; issuance of subpoenas.

1. Any member of the Board or the Executive Officer may take testimony and proofs concerning all matters within the jurisdiction of the Board.
2. The Board or any member thereof, or the Executive Officer, may:
- (a) Administer oaths.
 - (b) Certify to all official acts.
 - (c) Issue subpoenas for the attendance of witnesses and the production of records, books and papers in connection with any hearing, investigation or other proceeding of the Board.
- [Part 6:Art. I:186:1941; A 1943, 83; 1955, 378]—(NRS A 1985, 1052; 1987, 1046; [1999, 2955](#))

NRS 624.180 Service of process.

1. Any process issued by the Board or the Executive Officer may extend to all parts of the State and may be served by an investigator for the Board or any person authorized to serve process of courts of record.
2. The Board may compensate any person serving the process who is not an investigator for the Board, but not more than the fees prescribed by law for similar service. The fees must be paid in the same manner as other expenses of the Board are paid.
- [Part 6:Art. I:186:1941; A 1943, 83; 1955, 378]—(NRS A 1985, 1055; 1987, 1046)

NRS 624.190 Action by district court to compel attendance of witness or production of records, books or papers.

1. The district court in and for the county in which any hearing, investigation or other proceeding is held by the Board may compel the attendance of witnesses, the giving of testimony and the production of records, books and papers as required by any subpoena issued by the Board or the Executive Officer.
2. In case of the refusal of any witness to attend or testify or produce any items required by the subpoena, the Board may report to the district court in and for the county in which the hearing, investigation or other proceeding will be held by petition, setting forth that:
- (a) Due notice has been given of the time and place of attendance of the witness or the production of the records, books or papers;
 - (b) The witness has been subpoenaed in the manner prescribed in this chapter; and
 - (c) The witness has failed and refused to attend or produce the items required by subpoena before the Board in the cause or proceeding named in the subpoena, or has refused to answer questions propounded to him in the course of the hearing, investigation or other proceeding,
- ↪ and ask an order of the court compelling the witness to attend and testify or produce the records, books or papers before the Board.
3. The court, upon petition of the Board, shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in the order, the time to be not more than 10 days after the date of the order, and then and there show cause why he has not attended or testified or produced the records, books or papers before the Board. A certified copy of the order must be served upon the witness.
4. If it appears to the court that the subpoena was regularly issued by the Board or the Executive Officer, the court shall thereupon enter an order that the witness appear before the Board at the time and place fixed in the order and testify or produce the required records, books or papers. Upon failure to obey the order, the witness must be dealt with as for contempt of court.
- [Part 6:Art. I:186:1941; A 1943, 83; 1955, 378]—(NRS A 1987, 1046; [1999, 2955](#))

- NRS 624.200 Deposition of witness.** The Board may in any hearing, investigation or other proceeding before it cause the depositions of witnesses residing within or without the State to be taken in the manner prescribed by the Nevada Rules of Civil Procedure for like depositions in civil actions in the district courts of this State, and to that end may compel the attendance of witnesses and the production of records, books and papers.
- [Part 6:Art. I:186:1941; A 1943, 83; 1955, 378]—(NRS A 1987, 1047; [1999, 2956](#))

- NRS 624.210 Right of party to compel attendance of witness or taking of deposition.** Any party to any hearing, investigation or other proceeding before the Board has the right to the attendance of witnesses in his behalf at the hearing, investigation or other proceeding or upon deposition as set forth in this chapter upon making a request therefor to the Board and designating the person sought to be subpoenaed.
- [Part 6:Art. I:186:1941; A 1943, 83; 1955, 378]—(NRS A 1987, 1047; [1999, 2956](#))

NRS 624.212 Violation of chapter: Cease and desist order; injunction; fine.

1. The Executive Officer, on behalf of the Board, shall issue an order to cease and desist to any person:
- (a) Acting as a contractor, including, without limitation, commencing work as a contractor; or
 - (b) Submitting a bid on a job situated in this State,
- ↪ without an active license of the proper classification issued pursuant to this chapter. The order must be served personally or by certified mail

and is effective upon receipt.

2. If it appears that any person has engaged in acts or practices which constitute a violation of this chapter or the violation of an order issued pursuant to subsection 1, the Board may request the Attorney General, the district attorney of the county in which the alleged violation occurred or the district attorney of any other county in which that person maintains a place of business or resides to apply on behalf of the Board to the district court for an injunction restraining him from acting in violation of this chapter. Upon a proper showing, a temporary restraining order, a preliminary injunction or a permanent injunction may be granted. The Board as plaintiff in the action is not required to prove any irreparable injury.

3. In seeking injunctive relief against any person for an alleged violation of [NRS 624.700](#), it is sufficient to allege that the person did, upon a certain day and in a certain county of this State:

- (a) Act as a contractor, including, without limitation, commence work as a contractor; or
- (b) Submit a bid on a job situated in this State,

↪ without having an active license of the proper classification issued pursuant to this chapter, without alleging any further or more particular facts concerning the matter.

4. The issuance of a restraining order or an injunction does not relieve the person against whom the restraining order or injunction is issued from criminal prosecution for practicing without a license.

5. If the court finds that a person willfully violated an order issued pursuant to subsection 1, it shall impose a fine of not less than \$250 nor more than \$1,000 for each violation of the order.

(Added to NRS by 1975, 1160; A 1983, 311, 509; 1987, 1047, 1138; 1995, 926; [2003, 2141](#))

CLASSIFICATIONS

NRS 624.215 Contracting business.

1. For the purpose of classification, the contracting business includes the following branches:

- (a) General engineering contracting.
- (b) General building contracting.
- (c) Specialty contracting.

↪ General engineering contracting and general building contracting are mutually exclusive branches.

2. A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works, including irrigation, drainage, water supply, water power, flood control, harbors, railroads, highways, tunnels, airports and airways, sewers and sewage disposal systems, bridges, inland waterways, pipelines for transmission of petroleum and other liquid or gaseous substances, refineries, chemical plants and industrial plants requiring a specialized engineering knowledge and skill, power plants, piers and foundations and structures or work incidental thereto.

3. A general building contractor is a contractor whose principal contracting business is in connection with the construction or remodeling of buildings or structures for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in their construction the use of more than two unrelated building trades or crafts, upon which he is a prime contractor and where the construction or remodeling of a building is the primary purpose. Unless he holds the appropriate specialty license, a general building contractor may only contract to perform specialty contracting if he is a prime contractor on a project. A general building contractor shall not perform specialty contracting in plumbing, electrical, refrigeration and air-conditioning or fire protection without a license for the specialty. A person who exclusively constructs or repairs mobile homes, manufactured homes or commercial coaches is not a general building contractor.

4. A specialty contractor is a contractor whose operations as such are the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts.

5. This section does not prevent the Board from establishing, broadening, limiting or otherwise effectuating classifications in a manner consistent with established custom, usage and procedure found in the building trades. The Board is specifically prohibited from establishing classifications in such a manner as to determine or limit craft jurisdictions.

(Added to NRS by 1967, 1594; A 1971, 600; 1983, 311; 1997, 212, 2687)

NRS 624.218 Classification for persons who construct or improve video service networks.

1. The Board shall adopt by regulation a classification of licensing for persons who construct or improve video service networks. Except as otherwise provided in subsection 2, a person who engages in such construction, alteration or improvement must be licensed in this classification and may not be required to be licensed in any other classification.

2. The licensing requirements adopted pursuant to subsection 1 do not apply to a person who is engaged solely in the alteration or repair of antennae used by a community antenna television system.

3. As used in this section, "video service network" has the meaning ascribed to it in [NRS 711.145](#).

(Added to NRS by 1989, 1997; A [2007, 1401](#))

NRS 624.220 Contractors.

1. The Board shall adopt regulations necessary to effect the classification and subclassification of contractors in a manner consistent with established usage and procedure as found in the construction business, and may limit the field and scope of the operations of a licensed contractor to those in which he is classified and qualified to engage as defined by [NRS 624.215](#) and the regulations of the Board.

2. The Board shall limit the field and scope of the operations of a licensed contractor by establishing a monetary limit on a contractor's license, and the limit must be the maximum contract a licensed contractor may undertake on one or more construction contracts on a single construction site or subdivision site for a single client. The Board may take any other action designed to limit the field and scope of the operations of a contractor as may be necessary to protect the health, safety and general welfare of the public. The limit must be determined after consideration of the factors set forth in [NRS 624.260](#) to [624.265](#), inclusive.

3. A licensed contractor may request that the Board increase the monetary limit on his license, either on a permanent basis or for a single construction project. A request submitted to the Board pursuant to this subsection must be in writing on a form prescribed by the Board and accompanied by such supporting documentation as the Board may require. If a request submitted pursuant to this section is for a single construction project, the request must be submitted to the Board at least 2 working days before the date on which the licensed contractor intends to submit his bid for the project.

4. Subject to the provisions of regulations adopted pursuant to subsection 5, nothing contained in this section prohibits a specialty contractor from taking and executing a contract involving the use of two or more crafts or trades, if the performance of the work in the crafts or trades, other than in which he is licensed, is incidental and supplemental to the performance of work in the craft for which the specialty contractor is licensed.

5. The Board shall adopt regulations establishing a specific limit on the amount of asbestos that a licensed contractor with a license that is not classified for the abatement or removal of asbestos may abate or remove pursuant to subsection 4.

[1:Art. III—A:186:1941; added 1945, 296; 1943 NCL § 1474.21a]—(NRS A 1960, 353; 1963, 694; 1967, 1592; 1971, 180; 1979, 321; [1999,](#)

LICENSES

NRS 624.240 Issuance of licenses; use of examinations to investigate, classify and qualify applicants; additional qualifications for master's license; transitory provision.

1. Under reasonable regulations adopted by the Board, the Board may investigate, classify and qualify applicants for contractors' licenses by written or oral examinations, or both, and may issue contractors' licenses to qualified applicants. The examinations may, in the discretion of the Board, be given in specific classifications only.

2. If a natural person passes the technical examination given by the Board on or after July 1, 1985, to qualify him for a classification established pursuant to this chapter, demonstrates to the Board the degree of experience and knowledge required in the regulations of the Board, and is granted a license, he is qualified for a master's license, if issued by any political subdivision, in the classification for which the examination was given, if the examination required him to demonstrate his knowledge and ability to:

- (a) Utilize and understand;
- (b) Direct and supervise work in compliance with; and
- (c) Perform and apply any calculations required to ensure that work performed is in compliance with,

↳ the applicable codes, standards and regulations.

3. If a natural person qualified for a license before July 1, 1985, in accordance with [NRS 624.260](#) in a trade for which a master's license is required by any political subdivision, and if the license is active on or after July 1, 1985, and if the person so qualified wishes to obtain a master's license, he must pass either the appropriate examination given by the Board on or after July 1, 1985, in accordance with [NRS 624.260](#) and the regulations of the Board, or the examination given by the political subdivision in the trade for which a master's license is required.

[1:Art. IV:186:1941; A 1945, 296; 1953, 521; 1955, 378]—(NRS A 1985, 1056)

NRS 624.241 Program for issuance of license in expedited manner. The Board may establish a program for the issuance of a license in an expedited manner. The Board shall not allow the operation of the program for the issuance of a license in an expedited manner to affect adversely the amount of time the Board requires to issue any other contractor's license.

(Added to NRS by [1999. 2177](#))

NRS 624.245 Prohibition of certain violators from examination. The Board may prohibit a person who has been convicted of violating [NRS 624.700](#) or [624.740](#) from taking a written or oral examination for a contractor's license for a period of not more than 6 months from the date of his conviction.

(Added to NRS by 1975, 1159; A 1995, 927)

NRS 624.250 Application for license: Contents; fees; contributions to Construction Education Account.

1. To obtain or renew a license, an applicant must submit to the Board an application in writing containing:

- (a) The statement that the applicant desires the issuance of a license under the terms of this chapter.
- (b) The street address or other physical location of the applicant's place of business.
- (c) The name of a person physically located in this State for service of process on the applicant.
- (d) The street address or other physical location in this State and, if different, the mailing address, for service of process on the applicant.

(e) Except as otherwise provided in paragraph (f) or (g), the names and physical and mailing addresses of any owners, partners, officers, directors, members and managerial personnel of the applicant.

(f) If the applicant is a corporation, the names and physical and mailing addresses of the president, secretary, treasurer, any officers responsible for contracting activities in this State, any officers responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to [NRS 624.260](#) and any other persons required by the Board.

(g) If the applicant is a limited-liability company, the names and physical and mailing addresses of any managers or members with managing authority, any managers or members responsible for contracting activities in this State, any managers or members responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to [NRS 624.260](#) and any other persons required by the Board.

(h) Any information requested by the Board to ascertain the background, financial responsibility, experience, knowledge and qualifications of the applicant.

(i) All information required to complete the application.

2. The application must be:

- (a) Made on a form prescribed by the Board in accordance with the rules and regulations adopted by the Board.
- (b) Accompanied by the application fee fixed by this chapter.

3. The Board shall include on an application form for the issuance or renewal of a license, a method for allowing an applicant to make a monetary contribution to the Construction Education Account created pursuant to [NRS 624.580](#). The application form must state in a clear and conspicuous manner that a contribution to the Construction Education Account is voluntary and is in addition to any fees required for licensure. If the Board receives a contribution from an applicant, the Board shall deposit the contribution with the State Treasurer for credit to the Construction Education Account.

4. Before issuing a license to any applicant, the Board shall require the applicant to pay the license fee fixed by this chapter and, if applicable, any assessment required pursuant to [NRS 624.470](#).

[2:Art. IV:186:1941; 1931 NCL § 1474.23]—(NRS A 1997, 2113; [1999. 2957](#); [2001. 2411](#); [2005. 2705](#), [2807](#); [2007. 857](#))

NRS 624.253 Application for one or more classifications; additional application and fee for license may be required.

1. A licensee may make application for classification and be classified in one or more classifications if the licensee meets the qualifications prescribed by the Board for such additional classification or classifications.

2. An additional application and license fee may be charged for qualifying or classifying a licensee in additional classifications.

(Added to NRS by 1967, 1594)

NRS 624.254 Issuance or renewal of license under name likely to result in confusion or mistake prohibited. No license may be issued or renewed by the Board under a name which:

1. Is the same as the name of another licensee;
2. So resembles the name of another licensee that the Board determines that it is likely to result in confusion or mistake; or
3. The Board determines is likely to mislead the general public.

(Added to NRS by 1987, 1138; A 1993, 926)

NRS 624.2545 Denial of application for issuance or renewal of license: Notice; request for hearing; hearing.

1. If the Board denies an application for issuance or renewal of a license pursuant to this chapter, the Board shall send by certified mail, return receipt requested, written notice of the denial to the most current address of the applicant set forth in the records of the Board.

2. A notice of denial must include, without limitation, a statement which explains that the applicant has a right to a hearing before the Board if the applicant submits a written request for such a hearing to the Board within 60 days after the notice of denial is sent to the address of the applicant pursuant to this section.

3. If an applicant who receives a notice of denial pursuant to this section desires to have the denial reviewed at a hearing before the Board, he must submit a written request for a hearing before the Board concerning the denial within 60 days after the notice of denial is sent to his address. If an applicant does not submit notice in accordance with this subsection, the applicant's right to a hearing shall be deemed to be waived.

4. Except as otherwise provided in this subsection, if the Board receives notice from an applicant pursuant to subsection 3, the Board shall hold a hearing on the decision to deny the application of the applicant within 90 days after the date the Board receives notice pursuant to subsection 3. If an applicant requests a continuance and the Board grants the continuance, the hearing required pursuant to this subsection may be held more than 90 days after the date the Board receives notice pursuant to subsection 3.

(Added to NRS by [2001, 2409](#))

NRS 624.256 Proof of industrial insurance; notification of Fraud Control Unit for Industrial Insurance of failure to obtain industrial insurance; disciplinary action.

1. Before granting an original or renewal of a contractor's license to any applicant, the Board shall require that the applicant submit to the Board:

(a) Proof of industrial insurance and insurance for occupational diseases which covers his employees;

(b) A copy of his certificate of qualification as a self-insured employer which was issued by the Commissioner of Insurance;

(c) If the applicant is a member of an association of self-insured public or private employers, a copy of the certificate issued to the association by the Commissioner of Insurance; or

(d) An affidavit signed by the applicant affirming that he is not subject to the provisions of [chapters 616A to 616D](#), inclusive, or chapter [617](#) of NRS because:

(1) He has no employees;

(2) He is not or does not intend to be a subcontractor for a principal contractor; and

(3) He has not or does not intend to submit a bid on a job for a principal contractor or subcontractor.

2. The Board shall notify the Fraud Control Unit for Industrial Insurance established pursuant to [NRS 228.420](#) whenever the Board learns that an applicant or holder of a contractor's license has engaged in business as or acted in the capacity of a contractor within this State without having obtained industrial insurance or insurance for occupational diseases in violation of the provisions of [chapters 616A to 617](#), inclusive, of NRS.

3. Failure by an applicant or holder of a contractor's license to file or maintain in full force the required industrial insurance and insurance for occupational diseases constitutes cause for the Board to deny, revoke, suspend, refuse to renew or otherwise discipline the person, unless the person has complied with the provisions set forth in paragraph (d) of subsection 1.

(Added to NRS by 1983, 541; A 1987, 1138; 1993, 781; 1995, 1879; [1999, 237](#); [2007, 858](#))

NRS 624.260 Applicant or licensee to demonstrate experience, knowledge and financial responsibility; qualifications concerning experience and knowledge; limitations on qualifications of natural person.

1. The Board shall require an applicant or licensee to show such a degree of experience, financial responsibility and such general knowledge of the building, safety, health and lien laws of the State of Nevada and the administrative principles of the contracting business as the Board deems necessary for the safety and protection of the public.

2. An applicant or licensee may qualify in regard to his experience and knowledge in the following ways:

(a) If a natural person, he may qualify by personal appearance or by the appearance of his responsible managing employee.

(b) If a copartnership, a corporation or any other combination or organization, it may qualify by the appearance of the responsible managing officer or member of the personnel of the applicant firm.

➤ If an applicant or licensee intends to qualify pursuant to this subsection by the appearance of another person, the applicant or licensee shall submit to the Board such information as the Board determines is necessary to demonstrate the duties and responsibilities of the other person so appearing with respect to the supervision and control of the operations of the applicant or licensee relating to construction.

3. The natural person qualifying on behalf of another natural person or firm under paragraphs (a) and (b) of subsection 2 must prove that he is a bona fide member or employee of that person or firm and when his principal or employer is actively engaged as a contractor shall exercise authority in connection with his principal or employer's contracting business in the following manner:

(a) To make technical and administrative decisions;

(b) To hire, superintend, promote, transfer, lay off, discipline or discharge other employees and to direct them, either by himself or through others, or effectively to recommend such action on behalf of his principal or employer; and

(c) To devote himself solely to his principal or employer's business and not to take any other employment which would conflict with his duties under this subsection.

4. A natural person may not qualify on behalf of another for more than one active license unless:

(a) One person owns at least 25 percent of each licensee for which he qualifies; or

(b) One licensee owns at least 25 percent of the other licensee.

5. Except as otherwise provided in subsection 6, in addition to the other requirements set forth in this section, each applicant for licensure as a contractor must have had, within the 10 years immediately preceding the filing of his application for licensure, at least 4 years of experience as a journeyman, foreman, supervising employee or contractor in the specific classification in which he is applying for licensure. Training received in a program offered at an accredited college or university or an equivalent program accepted by the Board may be used to satisfy not more than 3 years of experience required pursuant to this subsection.

6. If the applicant who is applying for licensure has previously qualified for a contractor's license in the same classification in which he is applying for licensure, the experience required pursuant to subsection 5 need not be accrued within the 10 years immediately preceding the application.

7. As used in this section, "journeyman" means a person who:

(a) Is fully qualified to perform, without supervision, work in the classification in which he is applying for licensure; or

(b) Has successfully completed:

(1) A program of apprenticeship for the classification in which he is applying for licensure that has been approved by the State Apprenticeship Council; or

(2) An equivalent program accepted by the Board.

[3:Art. IV:186:1941; A 1951, 47]—(NRS A 1967, 1593; 1985, 1056; [1999, 2179](#))

NRS 624.262 Financial responsibility of applicant or licensee: Demonstration required. A licensee or an applicant for a contractor's license must prove his financial responsibility by demonstrating that his past and current financial solvency and expectations for financial solvency in the future are such as to provide the Board with a reasonable expectation that the licensee or applicant can successfully do business as a contractor without jeopardy to the public health, safety and welfare.

(Added to NRS by [1999, 2953](#))

NRS 624.263 Financial responsibility of applicant or licensee: Standards and criteria for determination.

1. The financial responsibility of a licensee or an applicant for a contractor's license must be established independently of and without reliance on any assets or guarantees of any owners or managing officers of the licensee or applicant, but the financial responsibility of any owners or managing officers of the licensee or applicant may be inquired into and considered as a criterion in determining the financial responsibility of the licensee or applicant.

2. The financial responsibility of an applicant for a contractor's license or of a licensed contractor may be determined by using the following standards and criteria in connection with each applicant or contractor and each associate or partner thereof:

- (a) Amount of net worth.
- (b) Amount of liquid assets.
- (c) Amount of current assets.
- (d) Amount of current liabilities.
- (e) Amount of working capital.
- (f) Ratio of current assets to current liabilities.
- (g) Fulfillment of bonding requirements pursuant to [NRS 624.270](#).
- (h) Prior payment and credit records.
- (i) Previous business experience.
- (j) Prior and pending lawsuits.
- (k) Prior and pending liens.
- (l) Adverse judgments.
- (m) Conviction of a felony or crime involving moral turpitude.
- (n) Prior suspension or revocation of a contractor's license in Nevada or elsewhere.
- (o) An adjudication of bankruptcy or any other proceeding under the federal bankruptcy laws, including:
 - (1) A composition, arrangement or reorganization proceeding;
 - (2) The appointment of a receiver of the property of the applicant or contractor or any officer, director, associate or partner thereof under the laws of this State or the United States; or
 - (3) The making of an assignment for the benefit of creditors.
- (p) Form of business organization, corporate or otherwise.
- (q) Information obtained from confidential financial references and credit reports.
- (r) Reputation for honesty and integrity of the applicant or contractor or any officer, director, associate or partner thereof.

3. A licensed contractor shall, as soon as it is reasonably practicable, notify the Board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment set forth in paragraph (o) of subsection 2. The written notice must be accompanied by:

- (a) A copy of the petition or application filed with the court; and
- (b) A copy of any order of the court which is relevant to the financial responsibility of the contractor, including any order appointing a trustee, receiver or assignee.

4. Before issuing a license to an applicant who will engage in residential construction or renewing the license of a contractor who engages in residential construction, the Board may require the applicant or licensee to establish his financial responsibility by submitting to the Board:

- (a) A financial statement that is:
 - (1) Prepared by a certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and

(b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.

5. In addition to the requirements set forth in subsection 4, the Board may require a licensee to establish his financial responsibility at any time.

6. An applicant for an initial contractor's license or a licensee applying for the renewal of a contractor's license has the burden of demonstrating his financial responsibility to the Board, if the Board requests him to do so.

(Added to NRS by 1967, 1594; A 1969, 939; 1993, 926; [1999, 2958](#); [2001, 2412](#); [2005, 1200](#); [2007, 859](#))

NRS 624.264 Financial responsibility of applicant or licensee: Additional requirements for certain applicants and licensees engaged in residential construction.

1. In addition to any other requirements set forth in this chapter, if an applicant will engage in residential construction and the applicant or the natural person qualifying on behalf of the applicant pursuant to [NRS 624.260](#) has not held a contractor's license issued pursuant to this chapter within the 2 years immediately preceding the date that the application is submitted to the Board, the Board shall require the applicant to establish his financial responsibility by submitting to the Board:

- (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) Any other information required by the Board.

2. Before the Board may issue a contractor's license to the applicant, the Board must determine whether, based on the financial information concerning the applicant, it would be in the public interest to do any or all of the following:

(a) Require the applicant to obtain the services of a construction control with respect to any money that the applicant requires a purchaser of a new residence to pay in advance to make upgrades to the new residence. If the Board imposes such a requirement, the applicant may not:

- (1) Be related to the construction control or to an employee or agent of the construction control; or
- (2) Hold, directly or indirectly, a financial interest in the business of the construction control.

(b) Establish an aggregate monetary limit on the contractor's license, which must be the maximum combined monetary limit on all contracts that the applicant may undertake or perform as a licensed contractor at any one time, regardless of the number of contracts, construction sites,

subdivision sites or clients. If the Board establishes such a limit, the Board:

- (1) Shall determine the period that the limit is in effect; and
- (2) During that period, may increase or decrease the limit as the Board deems appropriate.

3. If the Board issues a contractor's license to an applicant described in subsection 1, for the first 2 years after the issuance of the license, the licensee must submit to the Board, with each application for renewal of the license:

(a) A financial statement that is:

(1) Prepared by an independent certified public accountant; or

(2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and

(b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.

4. Before the Board may renew the contractor's license of the licensee, the Board must determine whether, based on the financial information concerning the licensee, it would be in the public interest to do any or all of the following:

(a) Require the licensee to obtain the services of a construction control with respect to any money that the licensee requires a purchaser of a new residence to pay in advance to make upgrades to the new residence. If the Board imposes such a requirement, the licensee may not:

(1) Be related to the construction control or to an employee or agent of the construction control; or

(2) Hold, directly or indirectly, a financial interest in the business of the construction control.

(b) Establish an aggregate monetary limit on the contractor's license, which must be the maximum combined monetary limit on all contracts that the licensee may undertake or perform as a licensed contractor at any one time, regardless of the number of contracts, construction sites, subdivision sites or clients. If the Board establishes such a limit, the Board:

(1) Shall determine the period that the limit is in effect; and

(2) During that period, may increase or decrease the limit as the Board deems appropriate.

(Added to NRS by [2003, 1897](#); A [2005, 1202](#))

NRS 624.265 Good character of applicant or licensed contractor and certain associates; grounds for establishment of lack of good character; background investigation; confidentiality of results of background investigation; fee for processing fingerprints; Board may obtain criminal history.

1. An applicant for a contractor's license or a licensed contractor and each officer, director, partner and associate thereof must possess good character. Lack of character may be established by showing that the applicant or licensed contractor, or any officer, director, partner or associate thereof, has:

(a) Committed any act which would be grounds for the denial, suspension or revocation of a contractor's license;

(b) A bad reputation for honesty and integrity;

(c) Entered a plea of guilty, guilty but mentally ill or nolo contendere to, been found guilty or guilty but mentally ill of, or been convicted, in this State or any other jurisdiction, of a crime arising out of, in connection with or related to the activities of such person in such a manner as to demonstrate his unfitness to act as a contractor, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal; or

(d) Had a license revoked or suspended for reasons that would preclude the granting or renewal of a license for which the application has been made.

2. Upon the request of the Board, an applicant for a contractor's license, and any officer, director, partner or associate of the applicant, must submit to the Board completed fingerprint cards and a form authorizing an investigation of the applicant's background and the submission of his fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation. The fingerprint cards and authorization form submitted must be those that are provided to the applicant by the Board. The applicant's fingerprints may be taken by an agent of the Board or an agency of law enforcement.

3. Except as otherwise provided in [NRS 239.0115](#), the Board shall keep the results of the investigation confidential and not subject to inspection by the general public.

4. The Board shall establish by regulation the fee for processing the fingerprints to be paid by the applicant. The fee must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.

5. The Board may obtain records of a law enforcement agency or any other agency that maintains records of criminal history, including, without limitation, records of:

(a) Arrests;

(b) Guilty and guilty but mentally ill pleas;

(c) Sentencing;

(d) Probation;

(e) Parole;

(f) Bail;

(g) Complaints; and

(h) Final dispositions,

↪ for the investigation of a licensee or an applicant for a contractor's license.

(Added to NRS by 1967, 1595; A 1995, 2476; [1999, 2180, 2959](#); [2003, 1497](#); [2005, 1203](#); [2007, 1470, 2131](#))

NRS 624.268 Payment of child support: Submission of certain information by applicant; grounds for denial of license; duty of Board. [Effective until the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]

1. In addition to any other requirements set forth in this chapter:

(a) A natural person who applies for the issuance of a contractor's license shall include the social security number of the applicant in the application submitted to the Board.

(b) A natural person who applies for the issuance or renewal of a contractor's license shall submit to the Board the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to [NRS 425.520](#). The statement must be completed and signed by the applicant.

2. The Board shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the license; or

(b) A separate form prescribed by the Board.

3. A contractor's license may not be issued or renewed by the Board if the applicant is a natural person who:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Board shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

(Added to NRS by 1997, 2112; A [2005, 2706, 2807](#))

NRS 624.268 Payment of child support: Submission of certain information by applicant; grounds for denial of license; duty of Board. [Effective on the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings and expires by limitation 2 years after that date.]

1. In addition to any other requirements set forth in this chapter, a natural person who applies for the issuance or renewal of a contractor's license shall submit to the Board the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to [NRS 425.520](#). The statement must be completed and signed by the applicant.

2. The Board shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the license; or

(b) A separate form prescribed by the Board.

3. A contractor's license may not be issued or renewed by the Board if the applicant is a natural person who:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Board shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

(Added to NRS by 1997, 2112; A [2005, 2706, 2807](#), effective on the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings)

NRS 624.270 Bond and deposit: Requirements; amount; conditions.

1. Before issuing a contractor's license to any applicant, the Board shall require that the applicant:

(a) File with the Board a surety bond in a form acceptable to the Board executed by the contractor as principal with a corporation authorized to transact surety business in the State of Nevada as surety; or

(b) In lieu of such a bond, establish with the Board a cash deposit as provided in this section.

2. Before granting renewal of a contractor's license to any applicant, the Board shall require that the applicant file with the Board satisfactory evidence that his surety bond or cash deposit is in full force, unless the applicant has been relieved of the requirement as provided in this section.

3. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.

4. Except as otherwise provided in subsection 6, the amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of his operations, but must be not less than \$1,000 or more than \$500,000. The bond must be continuous in form and must be conditioned that the total aggregate liability of the surety for all claims is limited to the face amount of the bond irrespective of the number of years the bond is in force. A bond required by this section must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The Board may increase or reduce the amount of any bond or cash deposit if evidence supporting such a change in the amount is presented to the Board at the time application is made for renewal of a license or at any hearing conducted pursuant to [NRS 624.2545](#) or [624.291](#). Unless released earlier pursuant to subsection 5, any cash deposit may be withdrawn 2 years after termination of the license in connection with which it was established, or 2 years after completion of all work authorized by the Board after termination of the license, whichever occurs later, if there is no outstanding claim against it.

5. After a licensee has acted in the capacity of a licensed contractor in the State of Nevada for not less than 5 consecutive years, the Board may relieve the licensee of the requirement of filing a bond or establishing a cash deposit if evidence supporting such relief is presented to the Board. The Board may at any time thereafter require the licensee to file a new bond or establish a new cash deposit as provided in subsection 4:

(a) If evidence is presented to the Board supporting this requirement;

(b) Pursuant to subsection 6, after notification of a final written decision by the Labor Commissioner; or

(c) Pursuant to subsection 7.

➔ If a licensee is relieved of the requirement of establishing a cash deposit, the deposit may be withdrawn 2 years after such relief is granted, if there is no outstanding claim against it.

6. If the Board is notified by the Labor Commissioner pursuant to [NRS 607.165](#) or otherwise receives notification that three substantiated claims for wages have been filed against a contractor within a 2-year period, the Board shall require the contractor to file a bond or establish a cash deposit in an amount fixed by the Board. The contractor shall maintain the bond or cash deposit for the period required by the Board.

7. If a contractor who performs work concerning a residential pool or spa:

(a) Is determined by the Board to have violated one or more of the provisions of [NRS 624.301](#) to [624.305](#), inclusive;

(b) Enters into a contract on or after July 1, 2001, that is later found to be void and unenforceable against the owner pursuant to subsection 5 of [NRS 624.940](#) or pursuant to any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa; or

(c) Has five valid complaints filed against him with the Board within any 15-day period,

➔ the Board may require the contractor to comply with the provisions of subsection 8.

8. If the Board requires a contractor described in subsection 7 to comply with the provisions of this subsection, the contractor shall, before commencing work concerning a residential pool or spa, obtain:

(a) Except as otherwise provided in this subsection, a performance bond in an amount equal to not less than 50 percent of the amount of the contract, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions set forth in the contract. The performance bond must be solely for the protection of the owner of the property to be improved.

(b) Except as otherwise provided in this subsection, a payment bond in an amount equal to not less than 50 percent of the amount of the contract. The payment bond must be solely for the protection of persons supplying labor or materials to the contractor, or to any of his subcontractors, in carrying out the provisions of the contract.

➔ A bond required pursuant to this subsection must be provided by a person whose long-term debt obligations are rated “A” or better by a nationally recognized rating agency. The contractor shall maintain the bond for the period required by the Board. The contractor shall furnish to the building department of the city or county, as applicable, in which the work will be carried out, a copy of any bond. In lieu of a performance or payment bond, the contractor may obtain an equivalent form of security approved by the Board.

9. As used in this section, “substantiated claim for wages” has the meaning ascribed to it in [NRS 607.165](#).

[6:Art. IV:186:1941; added 1951, 365]—(NRS A 1959, 868; 1963, 695; 1965, 349; 1971, 180; 1975, 1160; 1983, 318; 1985, 1057; 1987, 1139; 1997, 1513, 2688; [1999, 596](#); [2001, 2413](#), [2981](#); [2003, 2142](#); [2005, 2383](#))

NRS 624.273 Bond and deposit: Person benefited; actions; payment by surety without action by court; interpleader by surety or Board; preferred claims; prohibited claims.

1. Each bond or deposit required by [NRS 624.270](#) must be in favor of the State of Nevada for the benefit of any person who:

(a) As owner of the property to be improved entered into a construction contract with the contractor and is damaged by failure of the contractor to perform the contract or to remove liens filed against the property;

(b) As an employee of the contractor performed labor on or about the site of the construction covered by the contract;

(c) As a supplier or materialman furnished materials or equipment for the construction covered by the contract; or

(d) Is injured by any unlawful act or omission of the contractor in the performance of a contract.

2. Any person claiming against the bond or deposit may bring an action in a court of competent jurisdiction on the bond or against the Board on the deposit for the amount of damage he has suffered to the extent covered by the bond or deposit. No action may be commenced on the bond or deposit 2 years after the commission of the act on which the action is based. If an action is commenced on the bond, the surety that executed the bond shall notify the Board of the action within 30 days after the date that:

(a) The surety is served with a complaint and summons; or

(b) The action is commenced,

➔ whichever occurs first.

3. Upon receiving a request from a person for whose benefit a bond or deposit is required, the Board shall notify him that:

(a) A bond is in effect or that a deposit has been made, and the amount of either;

(b) There is an action against a bond, if that is the case, and the court, the title and number of the action and the amount sought by the plaintiff; and

(c) There is an action against the Board, if that is the case, and the amount sought by the plaintiff.

4. If a surety, or in the case of a deposit, the Board, desires to make payment without awaiting court action, the amount of the bond or deposit must be reduced to the extent of any payment made by the surety or the Board in good faith under the bond or deposit. Any payment must be based on written claims received by the surety or Board before the court action.

5. The surety or the Board may bring an action for interpleader against all claimants upon the bond or deposit. If an action for interpleader is commenced, the surety or the Board must serve each known claimant and publish notice of the action at least once each week for 2 weeks in a newspaper of general circulation in the county where the contractor has his principal place of business. The surety is entitled to deduct its costs of the action, including publication, from its liability under the bond. The Board is entitled to deduct its costs of the action, including attorney’s fees and publication, from the deposit.

6. A claim of any employee of the contractor for labor is a preferred claim against a bond or deposit. If any bond or deposit is insufficient to pay all claims for labor in full, the sum recovered must be distributed among all claimants for labor in proportion to the amounts of their respective claims. Partial payment of claims is not full payment, and the claimants may bring actions against the contractor for the unpaid balances.

7. Claims, other than claims for labor, against a bond or deposit have equal priority, except where otherwise provided by law, and if the bond or deposit is insufficient to pay all of those claims in full, they must be paid pro rata. Partial payment of claims is not full payment, and the claimants may bring actions against the contractor for the unpaid balances.

8. The Board may not claim against the bond or deposit required pursuant to [NRS 624.270](#) for the payment of an administrative fine imposed for a violation of the provisions of this chapter.

(Added to NRS by 1965, 351; A 1971, 181, 383; 1981, 1746; 1985, 761; [1999, 2181](#), [2960](#))

NRS 624.275 Bond and deposit: Notice of claim paid against contractor’s bond by surety; cancellation of contractor’s bond by surety; notification to contractor of claim against or cancellation of bond; duties of Board and contractor; revocation or suspension of license.

1. With respect to a surety bond that a licensed contractor maintains in accordance with [NRS 624.270](#) or [624.276](#):

(a) The surety shall give prompt notice to the Board of any claims paid against the bond of the licensed contractor.

(b) The surety may cancel the bond upon giving 60 days’ notice to the Board and to the contractor by certified mail.

2. Upon receipt by the Board of the notice described in paragraph (a) of subsection 1, the Board shall immediately notify the contractor who is the principal on the bond that his license will be suspended or revoked unless he furnishes an equivalent bond or establishes an equivalent cash deposit before a date set by the Board.

3. Upon receipt by the Board of the notice described in paragraph (b) of subsection 1, the Board shall immediately notify the contractor who is the principal on the bond that his license will be suspended or revoked unless he furnishes an equivalent bond or establishes an equivalent cash deposit before the effective date of the cancellation.

4. The notice mailed to the contractor by the Board pursuant to subsection 2 or 3 must be addressed to his latest address of record in the office of the Board.

5. If the contractor does not comply with the requirements of the notice from the Board, his license must be suspended or revoked on the date:

(a) Set by the Board, if the notice was provided to the contractor pursuant to subsection 2; or

(b) The bond is cancelled, if the notice was provided to the contractor pursuant to subsection 3.

(Added to NRS by 1965, 351; A 1987, 1140; 1989, 852; [1999, 2182](#); [2005, 2384](#))

NRS 624.276 Bond and deposit: Additional requirements for contractors performing work concerning residential pools or spas.

1. Before granting an original contractor’s license to, or renewing the contractor’s license of, an applicant who performs or will perform work concerning residential pools or spas, the Board shall, in addition to any other conditions for the issuance or renewal of a license, require the applicant to:

(a) File with the Board a bond solely for the protection of consumers in an amount fixed by the Board; or

(b) In lieu of filing a bond, establish with the Board a cash deposit as provided in this section.

2. A bond required pursuant to subsection 1 is in addition to, may not be combined with and does not replace any other bond required pursuant

to the provisions of this chapter. A contractor required to file a bond pursuant to subsection 1 shall maintain the bond for 5 years or for such longer period as the Board may require.

3. After a contractor who performs work concerning a residential pool or spa has acted in the capacity of a licensed contractor in the State of Nevada for not less than 5 consecutive years, the Board may relieve the contractor of the requirements of subsection 1 if evidence supporting such relief is presented to the Board. The Board may at any time thereafter require the contractor to comply with subsection 1 if evidence is presented to the Board supporting this requirement.

4. If a licensee is relieved of the requirement of establishing a cash deposit pursuant to this section, the deposit may be withdrawn 2 years after such relief is granted, if there is no outstanding claim against it.

5. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.

6. The amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of his operations, but must be not less than \$10,000 or more than \$400,000. The bond must be continuous in form and must be conditioned that the total aggregate liability of the surety for all claims is limited to the face amount of the bond irrespective of the number of years the bond is in force.

7. A bond required pursuant to subsection 1 must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The Board may increase or reduce the amount of any bond or cash deposit if evidence supporting such a change in the amount is presented to the Board at the time application is made for renewal of a license or at any hearing conducted pursuant to [NRS 624.2545](#) or [624.291](#).

8. Unless released earlier pursuant to subsection 3, any cash deposit may be withdrawn 2 years after termination of the license in connection with which it was established or 2 years after completion of all work authorized by the Board after termination of the license, whichever occurs later, if there is no outstanding claim against it.

9. Each bond or deposit required pursuant to this section must be in favor of the State of Nevada solely for the benefit of any consumer who entered into a contract with the contractor to perform work concerning a residential pool or spa and:

(a) Is damaged by failure of the contractor to perform the contract or to remove liens filed against the property; or

(b) Is injured by any unlawful act or omission of the contractor in the performance of a contract.

10. Any consumer claiming against the bond or deposit may bring an action in a court of competent jurisdiction on the bond or against the Board on the deposit for the amount of damage he has suffered to the extent covered by the bond or deposit.

11. If an action is commenced on the bond, the surety that executed the bond shall notify the Board of the action within 30 days after the date that:

(a) The surety is served with a complaint and summons; or

(b) The action is commenced,

↪ whichever occurs first.

12. A claim or action pursuant to this section must proceed and be administered in the manner provided pursuant to [NRS 624.273](#) for a claim or action.

13. The Board shall adopt regulations necessary to carry out the provisions of this section, including, without limitation, regulations concerning:

(a) The determination of the amount of a bond pursuant to this section;

(b) The form of bond required pursuant to this section;

(c) The time within which an applicant or licensee must comply with the provisions of this section; and

(d) Procedures to contest the amount of a bond required pursuant to this section.

14. The Board shall immediately suspend the license of a contractor who fails to post the bond or provide the deposit required pursuant to this section. Failure by a licensee for 6 months to post the bond or provide the deposit required pursuant to this section constitutes grounds for disciplinary action.

15. As used in this section:

(a) "Consumer" means a natural person who:

(1) Owns a single-family residence; and

(2) Enters into a contract with a licensee to perform work concerning a residential pool or spa.

(b) "Work concerning a residential pool or spa" has the meaning ascribed to it in [NRS 624.915](#).

(Added to NRS by [2001, 2981](#); [A 2005, 2385](#))

NRS 624.280 Regulations concerning fees; limitation on amount. The Board may adopt regulations fixing the fee for an application, the fee for an examination and the fee for a license to be paid by applicants and licensees. Except as otherwise provided in [NRS 624.281](#), the fee for:

1. An application must not exceed \$550.

2. A license must not exceed \$900 biennially.

3. An examination must not exceed \$300.

[1:Art. VI:186:1941; A 1951, 47; 1953, 521]—(NRS A 1959, 869; 1967, 1593; 1981, 634; 1987, 1140; 1997, 506; [1999, 2182](#); [2007, 860](#))

NRS 624.281 Fee for license issued in expedited manner; reimbursement to Board for costs and expenses; regulations concerning application for license issued in expedited manner.

1. If an applicant wishes to have his license issued in an expedited manner, he must pay a fee for an application equal to two times the amount of the fee regularly paid for an application pursuant to subsection 1 of [NRS 624.280](#).

2. The applicant must pay one-half of the fee required pursuant to subsection 1 when he submits the application and the other one-half of the fee when the Board issues the license.

3. In addition to the fee required pursuant to subsection 1, the applicant shall reimburse the Board for the actual costs and expenses incurred by the Board in processing the application.

4. The Board shall adopt regulations prescribing the procedures for making an application pursuant to this section.

(Added to NRS by [1999, 2177](#))

NRS 624.282 Inactive status of license: Application; effect; duration; regulations.

1. A contractor may apply to the Board to have his license placed on inactive status. The Board may grant the application if the license is in good standing and the licensee has met all requirements for the issuance or renewal of a contractor's license as of the date of the application.

2. If the application is granted, the licensee shall not engage in any work or activities that require a contractor's license in this State unless he is returned to active status.

3. A person whose license has been placed on inactive status pursuant to this section is exempt from:

- (a) The requirement to execute and maintain a bond pursuant to [NRS 624.270](#); and
 - (b) The requirement to qualify in regard to his experience and knowledge pursuant to [NRS 624.260](#).
4. The inactive status of a license is valid for 5 years after the date that the inactive status is granted.
5. The Board shall not refund any portion of the renewal fee of a contractor's license that was paid before the license was placed on inactive status.
6. The Board shall adopt regulations prescribing the:
- (a) Procedures for making an application pursuant to this section;
 - (b) Procedures and terms upon which a person whose license has been placed on inactive status may resume work or activities that require a contractor's license; and
 - (c) Fees for the renewal of the inactive status of a license.
- (Added to NRS by [1999, 2177](#))

NRS 624.283 License: Expiration; renewal; financial statement; reinstatement; cancellation.

1. Each license issued under the provisions of this chapter expires 2 years after the date on which it is issued, except that the Board may by regulation prescribe shorter or longer periods and prorated fees to establish a system of staggered biennial renewals. Any license which is not renewed on or before the date for renewal is automatically suspended.

2. A license may be renewed by submitting to the Board:

- (a) An application for renewal;
- (b) The fee for renewal fixed by the Board;
- (c) Any assessment required pursuant to [NRS 624.470](#) if the holder of the license is a residential contractor as defined in [NRS 624.450](#); and
- (d) All information required to complete the renewal.

3. The Board may require a licensee to demonstrate his financial responsibility at any time through the submission of:

- (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and

(b) If the licensee performs residential construction, such additional documentation as the Board deems appropriate.

4. If a license is automatically suspended pursuant to subsection 1, the licensee may have his license reinstated upon filing an application for renewal within 6 months after the date of suspension and paying, in addition to the fee for renewal, a fee for reinstatement fixed by the Board, if he is otherwise in good standing and there are no complaints pending against him. If he is otherwise not in good standing or there is a complaint pending, the Board shall require him to provide a current financial statement prepared by an independent certified public accountant or establish other conditions for reinstatement. An application for renewal must be accompanied by all information required to complete the renewal. A license which is not reinstated within 6 months after it is automatically suspended may be cancelled by the Board, and a new license may be issued only upon application for an original contractor's license.

(Added to NRS by 1969, 943; A 1977, 87; 1987, 1140; 1997, 2113, 2689; [1999, 520](#), [1970, 2961, 2967](#); [2001, 141](#); [2005, 1204, 1205, 2707, 2807](#); [2007, 860](#))

NRS 624.284 License: Limitation of scope. A contractor's license issued pursuant to this chapter does not authorize a contractor to construct or repair a mobile home, manufactured home or commercial coach.

(Added to NRS by 1997, 212)

NRS 624.285 Termination of association of natural person qualifying by examination on behalf of another natural person or firm: Notice; replacement with qualified natural person.

1. If the natural person qualifying by examination on behalf of another natural person or a firm pursuant to subsection 2 of [NRS 624.260](#) ceases for any reason to be connected with the licensee to whom the license is issued, the licensee shall notify the Board in writing within 10 days after the cessation of association or employment. If a notice is given, the license remains in force for a reasonable length of time to be set by the Board, but not exceeding 30 days after the date of the cessation of association or employment.

2. The licensee shall replace the person originally qualified with another natural person similarly qualified and approved by the Board within the time limited by subsection 1, unless extended by the Board for good cause.

3. If the licensee fails to notify the Board within the 10-day period his license must be automatically suspended. The license must be reinstated upon the replacement of the person originally qualified by another natural person similarly qualified and approved by the Board.

4. If the licensee fails to replace the person originally qualified within the 30-day period, his license may be suspended or revoked.

(Added to NRS by 1967, 1595; A 1987, 613)

NRS 624.288 Display of name and license on motor vehicle. A licensee shall display on each commercial motor vehicle registered under his name, his name and the number of his license, in letters and numbers approximately 1 1/2 inches high.

(Added to NRS by 1987, 1101)—(Substituted in revision for NRS 624.306)

HEARINGS

NRS 624.291 Hearing required if Board suspends or revokes license, has probable cause to believe that person has engaged in unlawful advertising or imposes administrative fine for unlicensed actions; exception.

1. Except as otherwise provided in subsection 4, if the Board suspends or revokes a license, has probable cause to believe that a person has violated [NRS 624.720](#) or imposes an administrative fine pursuant to [NRS 624.710](#), the Board shall hold a hearing. The time and place for the hearing must be fixed by the Board, and notice of the time and place of the hearing must be personally served on the applicant or accused or mailed to the last known address of the applicant or accused at least 21 days before the date fixed for the hearing.

2. The testimony taken pursuant to [NRS 624.170](#) to [624.210](#), inclusive, must be considered a part of the record of the hearing before the Board.

3. Except as otherwise provided in [NRS 622.320](#), the hearing must be public if a request is made therefor.

4. The Board may suspend the license of a contractor without a hearing if the Board finds, based upon evidence in its possession, that the public health, safety or welfare imperatively requires summary suspension of the license of the contractor and incorporates that finding in its order. If the Board summarily suspends the license of the contractor, the Board must notify the contractor by certified mail. A hearing must be held within 60 days after the suspension if the contractor submits a written request for a hearing to the Board within 20 days after the Board summarily suspends his license.

DISCIPLINARY ACTION

General Provisions

NRS 624.295 Member of Board authorized to inform Executive Officer of allegation of ground for disciplinary action; action by Executive Officer. If a member of the Board becomes aware that any one or a combination of the grounds for initiating disciplinary action may exist as to a contractor in this State, the member of the Board may inform the Executive Officer of the Board of the allegations. The Executive Officer, upon receiving such information, shall take such actions as he deems appropriate under the circumstances.

(Added to NRS by 1995, 926; A [1999, 2962](#))

NRS 624.300 Disciplinary actions against licensee; private reprimands prohibited; orders imposing discipline deemed public records; deposit of fines in Construction Education Account.

1. Except as otherwise provided in subsections 3 and 5, the Board may:
 - (a) Suspend or revoke licenses already issued;
 - (b) Refuse renewals of licenses;
 - (c) Impose limits on the field, scope and monetary limit of the license;
 - (d) Impose an administrative fine of not more than \$10,000;
 - (e) Order a licensee to repay to the account established pursuant to [NRS 624.470](#), any amount paid out of the account pursuant to [NRS 624.510](#) as a result of an act or omission of that licensee;
 - (f) Order the licensee to take action to correct a condition resulting from an act which constitutes a cause for disciplinary action, at the licensee's cost, that may consist of requiring the licensee to:
 - (1) Perform the corrective work himself;
 - (2) Hire and pay another licensee to perform the corrective work; or
 - (3) Pay to the owner of the construction project a specified sum to correct the condition; or
 - (g) Issue a public reprimand or take other less severe disciplinary action, including, without limitation, increasing the amount of the surety bond or cash deposit of the licensee,

↪ if the licensee commits any act which constitutes a cause for disciplinary action.

2. If the Board suspends or revokes the license of a contractor for failure to establish financial responsibility, the Board may, in addition to any other conditions for reinstating or renewing the license, require that each contract undertaken by the licensee for a period to be designated by the Board, not to exceed 12 months, be separately covered by a bond or bonds approved by the Board and conditioned upon the performance of and the payment of labor and materials required by the contract.

3. If a licensee violates:

(a) The provisions of [NRS 624.3014](#), subsection 2 or 3 of [NRS 624.3015](#), subsection 1 of [NRS 624.302](#) or subsection 1 of [NRS 624.305](#), the Board may impose for each violation an administrative fine in an amount that is not more than \$50,000.

(b) The provisions of subsection 4 of [NRS 624.3015](#):

(1) For a first offense, the Board shall impose an administrative fine of not less than \$1,000 and not more than \$50,000, and may suspend the license of the licensee for 6 months;

(2) For a second offense, the Board shall impose an administrative fine of not less than \$5,000 and not more than \$50,000, and may suspend the license of the licensee for 1 year; and

(3) For a third or subsequent offense, the Board shall impose an administrative fine of not less than \$10,000 and not more than \$50,000, and may revoke the license of the licensee.

4. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to subsection 3. The standards must include, without limitation, provisions requiring the Board to consider:

(a) The gravity of the violation;

(b) The good faith of the licensee; and

(c) Any history of previous violations of the provisions of this chapter committed by the licensee.

5. If a licensee is prohibited from being awarded a contract for a public work pursuant to [NRS 338.017](#), the Board may suspend the license of the licensee for the period of the prohibition.

6. If a licensee commits a fraudulent act which is a cause for disciplinary action under [NRS 624.3016](#), the correction of any condition resulting from the act does not preclude the Board from taking disciplinary action.

7. If the Board finds that a licensee has engaged in repeated acts that would be cause for disciplinary action, the correction of any resulting conditions does not preclude the Board from taking disciplinary action pursuant to this section.

8. The expiration of a license by operation of law or by order or decision of the Board or a court, or the voluntary surrender of a license by a licensee, does not deprive the Board of jurisdiction to proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.

9. The Board shall not issue a private reprimand to a licensee.

10. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

11. An administrative fine imposed pursuant to this section or [NRS 624.341](#) or [624.710](#) plus interest at a rate that is equal to the prime rate at the largest bank in this State, as determined by the Commissioner of Financial Institutions on January 1 or July 1, as appropriate, immediately preceding the date of the order imposing the administrative fine, plus 4 percent, must be paid to the Board before the issuance or renewal of a license to engage in the business of contracting in this State. The interest must be collected from the date of the order until the date the administrative fine is paid.

12. All fines and interest collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to [NRS 624.580](#).

[4:Art. IV:186:1941; A 1955, 378]—(NRS A 1963, 696; 1967, 1043, 1594; 1969, 939; 1979, 320; 1993, 884; 1995, 234, 2544, 2545; 1997, 2690; [1999, 1447, 1971, 2962, 2967](#); [2001, 2414](#); [2003, 173, 1901, 2143, 3422](#); [2005, 1205](#); [2007, 649](#))

Grounds for Disciplinary Action

NRS 624.301 Abandonment or failure to complete or prosecute diligently project for construction; willful failure to comply with terms of contract or written warranty. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor.

2. Abandonment of a construction project when the percentage of the project completed is less than the percentage of the total price of the contract paid to the contractor at the time of abandonment, unless the contractor is entitled to retain the amount paid pursuant to the terms of the contract or the contractor refunds the excessive amount paid within 30 days after the abandonment of the project.

3. Failure in a material respect on the part of a licensee to complete any construction project or operation for the price stated in the contract for the project or operation or any modification of the contract.

4. Willful failure or refusal without legal excuse on the part of a licensee as a contractor to prosecute a construction project or operation with reasonable diligence, thereby causing material injury to another.

5. Willful failure or refusal without legal excuse on the part of a licensee to comply with the terms of a construction contract or written warranty, thereby causing material injury to another.

(Added to NRS by 1969, 940; A 1979, 320; [1999, 2963](#))

NRS 624.3011 Disregard of plans, specifications, laws or regulations.

1. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

(a) Willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner or his authorized representative and the person entitled to have the particular construction project or operation completed in accordance with the plans and specifications.

(b) Willful or deliberate disregard and violation of:

(1) The building laws of the State or of any political subdivision thereof.

(2) The safety laws or labor laws of the State.

(3) Any provision of the Nevada health and safety laws or the regulations adopted thereunder relating to the digging, boring or drilling of water wells.

(4) The laws of this State regarding industrial insurance.

2. If a contractor performs construction without obtaining any necessary building permit, there is a rebuttable presumption that the contractor willfully and deliberately violated the building laws of this State or of its political subdivisions.

(Added to NRS by 1969, 941; A 1983, 541; 1987, 1101; 1995, 2545; [1999, 2964](#))

NRS 624.3012 Diversion of money; failure to pay for materials or services; failure to release lien against property to be improved. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Diversion of money or property received for the completion of a specific construction project or operation or for a specified purpose in the completion of any construction project or operation to any other construction project or operation, obligation or purpose.

2. Willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient money therefor as payment for the particular construction work, project or operation for which the services or materials were rendered or purchased, or the false denial of any such amount due or the validity of the claim thereof with intent to secure a discount upon such indebtedness or with intent to injure, delay or defraud the person to whom such indebtedness is due.

3. Failure to obtain the discharge or release of any lien recorded against the property to be improved by a construction project for the price of any materials or services rendered to the project by order of the contractor, when the contractor has received sufficient money therefor as payment for the project, within 75 days after the recording of the lien.

(Added to NRS by 1969, 941; A [1999, 2964](#))

NRS 624.3013 Failure to keep records or maintain bond; misrepresentation; failure to establish financial responsibility or comply with law or regulations of Board. The following acts, among others, constitute cause for disciplinary action pursuant to [NRS 624.300](#):

1. Failure to keep records showing all contracts, documents, receipts and disbursements by a licensee of all of his transactions as a contractor and to keep them open for inspection by the Board or Executive Officer for a period of not less than 3 years after the completion of any construction project or operation to which the records refer.

2. Misrepresentation of a material fact by an applicant or licensee in connection with any information or evidence furnished the Board in connection with official matters of the Board.

3. Failure to establish financial responsibility pursuant to [NRS 624.220](#) and [624.260](#) to [624.265](#), inclusive, at the time of renewal of the license or at any other time when required by the Board.

4. Failure to keep in force the bond or cash deposit pursuant to [NRS 624.270](#) for the full period required by the Board.

5. Failure in any material respect to comply with the provisions of this chapter or the regulations of the Board.

(Added to NRS by 1969, 941; A 1971, 182; 1985, 1053; 1987, 217; [1999, 2965](#))

NRS 624.3014 Misuse of license; evasion of law. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Acting in the capacity of a contractor under any license issued hereunder except:

(a) In the name of the licensee as set forth upon the license.

(b) As an employee of the licensee as set forth in the application for such license or as later changed pursuant to this chapter and the rules and regulations of the Board.

2. With the intent to evade the provisions of this chapter:

(a) Aiding or abetting an unlicensed person to evade the provisions of this chapter.

(b) Combining or conspiring with an unlicensed person to perform an unauthorized act.

(c) Allowing a license to be used by an unlicensed person.

(d) Acting as agent, partner or associate of an unlicensed person.

(e) Furnishing estimates or bids to an unlicensed person.

3. Any attempt by a licensee to assign, transfer or otherwise dispose of a license or permit the unauthorized use thereof.

(Added to NRS by 1969, 941)

NRS 624.3015 Acting beyond scope of license; bidding on work in excess of limit or beyond scope of license; contracting with unlicensed contractor; constructing or repairing mobile home, manufactured home or commercial coach; engaging in work that requires license while license is inactive. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Acting in the capacity of a contractor beyond the scope of the license.

2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.

3. Knowingly bidding to contract or entering into a contract with a contractor for work in excess of his limit or beyond the scope of his license.

4. Knowingly entering into a contract with a contractor while that contractor is not licensed.
5. Constructing or repairing a mobile home, manufactured home or commercial coach, unless the contractor:
 - (a) Is licensed pursuant to [NRS 489.311](#); or
 - (b) Owns, leases or rents the mobile home, manufactured home or commercial coach.
6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to [NRS 624.282](#). (Added to NRS by 1969, 942; A 1979, 319; 1981, 634; 1997, 213; [1999, 2182](#); [2007, 651](#))

NRS 624.3016 Fraudulent or deceitful acts; criminal conviction; improper acts involving liens; improper acts involving residential pools and spas; failure to make required disclosure; failure to pay assessment; improper acts involving contract for public work. The following acts or omissions, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact.
 2. A conviction of a violation of [NRS 624.730](#), or a conviction in this State or any other jurisdiction of a felony relating to the practice of a contractor or a crime involving moral turpitude.
 3. Knowingly making a false statement in or relating to the recording of a notice of lien pursuant to the provisions of [NRS 108.226](#).
 4. Failure to give a notice required by [NRS 108.227](#), [108.245](#) or [108.246](#).
 5. Failure to comply with [NRS 624.920](#), [624.930](#), [624.935](#) or [624.940](#) or any regulations of the Board governing contracts for work concerning residential pools and spas.
 6. Failure to comply with [NRS 624.600](#).
 7. Misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license.
 8. Failure to pay an assessment required pursuant to [NRS 624.470](#).
 9. Failure to file a certified payroll report that is required for a contract for a public work.
 10. Knowingly submitting false information in an application for qualification or a certified payroll report that is required for a contract for a public work.
- (Added to NRS by 1969, 942; A 1983, 510; 1997, 2690; [1999, 1972, 2965, 2967](#); [2001, 141](#); [2003, 2144, 2618, 2704](#); [2005, 1207, 2387](#))

NRS 624.30165 Unfair business practices: Misrepresentations involving need for service, replacement parts, equipment or repairs; false or misleading statements. The following acts, among others, are unfair business practices and constitute cause for disciplinary action under [NRS 624.300](#):

1. When a contractor states that service, replacement parts, equipment or repairs are needed when such service, replacement parts, equipment or repairs actually are not needed.
 2. When a contractor makes any false or misleading statement or representation of material fact that is intended, directly or indirectly, to induce another person to use the services of the contractor or to enter into any contract with the contractor or any obligation relating to such a contract.
 3. When a contractor makes any false or misleading statement or representation of material fact that is intended, directly or indirectly, to disparage the goods, services or business of another person.
- (Added to NRS by [2005, 1200](#))

NRS 624.3017 Substandard workmanship; incomplete advertising; advertising projects beyond scope of license. The following acts, among others, constitute cause for disciplinary action under [NRS 624.300](#):

1. Workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed. If no applicable building or construction code has been adopted locally, then workmanship must meet the standards prescribed in the Uniform Building Code, Uniform Plumbing Code or National Electrical Code in the form of the code most recently approved by the Board. The Board shall review each edition of the *Uniform Building Code*, *Uniform Plumbing Code* or *National Electrical Code* that is published after the 1996 edition to ensure its suitability. Each new edition of the code shall be deemed approved by the Board unless the edition is disapproved by the Board within 60 days of the publication of the code.
 2. Advertising projects of construction without including in the advertisements the name and license number of the licensed contractor who is responsible for the construction.
 3. Advertising projects of construction beyond the scope of the license.
- (Added to NRS by 1969, 942; A 1985, 375, 1053; 1987, 217; 1997, 2691; [1999, 2856](#))

NRS 624.30175 Suspension of license for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of license. [Effective until 2 years after the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]

1. If the Board receives a copy of a court order issued pursuant to [NRS 425.540](#) that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a contractor's license, the Board shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Board receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to [NRS 425.550](#) stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to [NRS 425.560](#).
 2. The Board shall reinstate a contractor's license that has been suspended by a district court pursuant to [NRS 425.540](#) if the Board receives a letter issued by the district attorney or other public agency pursuant to [NRS 425.550](#) to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to [NRS 425.560](#).
- (Added to NRS by 1997, 2112; A [2005, 2807](#))

NRS 624.3018 Certain persons prohibited from serving as officer, director, associate or partner of licensee.

1. Any person who:
 - (a) Has been denied a license or who has had his license revoked or suspended or who has been denied a renewal of a license; or
 - (b) Has been a member, officer, director or associate of any partnership, corporation, firm or association whose application for a license has been denied, or whose license has been revoked or suspended or which has been denied a renewal of a license, and while acting as such member, officer, director or associate had knowledge of or participated in any of the prohibited acts for which the license or the renewal thereof was denied, suspended or revoked,➤ may be prohibited from serving as an officer, director, associate or partner of a licensee.
2. The performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership,

corporation, firm or association, and who participated in such prohibited act or omission.
(Added to NRS by 1969, 942; A 1975, 1161)

NRS 624.302 Contracting, offering to contract or submitting bid if license is suspended, revoked or inactive; failure to comply with written citation or pay administrative fine; suspension or revocation of license in other state or disciplinary action in other state; failure or refusal to respond to or comply with written requests of Board. The following acts or omissions, among others, constitute cause for disciplinary action pursuant to [NRS 624.300](#):

1. Contracting, offering to contract or submitting a bid as a contractor if the contractor's license:
 - (a) Has been suspended or revoked pursuant to [NRS 624.300](#); or
 - (b) Is inactive.
 2. Failure to comply with a written citation issued pursuant to [NRS 624.341](#) within the time permitted for compliance set forth in the citation, or, if a hearing is held pursuant to [NRS 624.291](#), within 15 business days after the hearing.
 3. Except as otherwise provided in subsection 2, failure to pay an administrative fine imposed pursuant to this chapter within 30 days after:
 - (a) Receiving notice of the imposition of the fine; or
 - (b) The final administrative or judicial decision affirming the imposition of the fine,↪ whichever occurs later.
 4. The suspension, revocation or other disciplinary action taken by another state against a contractor based on a license issued by that state if the contractor is licensed in this State or applies for a license in this State. A certified copy of the suspension, revocation or other disciplinary action taken by another state against a contractor based on a license issued by that state is conclusive evidence of that action.
 5. Failure or refusal to respond to a written request from the Board or its designee to cooperate in the investigation of a complaint.
 6. Failure or refusal to comply with a written request by the Board or its designee for information or records, or obstructing or delaying the providing of such information or records.
- (Added to NRS by [1999, 2953](#); A [2001, 213](#))

NRS 624.305 Unlawful use, assignment or transfer of license; revocation of license.

1. No license may be used for any purpose by any person other than the person to whom such license is issued, and no license may be assigned, transferred or otherwise disposed of to permit the unauthorized use thereof.
 2. The license of any person who violates any provision of this section shall be automatically cancelled and revoked.
- (Added to NRS by 1959, 868)

Proceedings

NRS 624.320 Allegation and proof of license in action on contract. No person, firm, copartnership, corporation, association or other organization, or any combination of any thereof, engaged in the business or acting in the capacity of a contractor shall bring or maintain any action in the courts of this State for the collection of compensation for the performance of any act or contract for which a license is required by this chapter without alleging and proving that such person, firm, copartnership, corporation, association or other organization, or any combination of any thereof, was a duly licensed contractor at all times during the performance of such act or contract and when the job was bid.
[3:Art. VII:186:1941; Added 1943, 83; A 1953, 521]

NRS 624.323 Licensee subject to disciplinary proceeding must submit financial statement and other information to Board; authority of Board to take certain actions to protect public.

1. In addition to any other requirements set forth in this chapter, if an investigation is conducted against a licensee and the Board determines that there is cause to proceed with a formal disciplinary proceeding against the licensee, the Board shall require the licensee to submit to the Board:
 - (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
 - (b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.
 2. After providing the licensee with notice and an opportunity to be heard, the Board must determine whether, based on the financial information concerning the licensee, it would be in the public interest to do any or all of the following:
 - (a) Require the licensee to obtain the services of a construction control with respect to any money that the licensee requires a purchaser of a new residence to pay in advance to make upgrades to the new residence. If the Board imposes such a requirement, the licensee may not:
 - (1) Be related to the construction control or to an employee or agent of the construction control; or
 - (2) Hold, directly or indirectly, a financial interest in the business of the construction control.
 - (b) Establish an aggregate monetary limit on the contractor's license, which must be the maximum combined monetary limit on all contracts that the licensee may undertake or perform as a licensed contractor at any one time, regardless of the number of contracts, construction sites, subdivision sites or clients. If the Board establishes such a limit, the Board:
 - (1) Shall determine the period that the limit is in effect; and
 - (2) During that period, may increase or decrease the limit as the Board deems appropriate.
 3. The provisions of this section do not limit the authority of the Board to take disciplinary action against the licensee.
- (Added to NRS by [2003, 1898](#); A [2005, 1207](#))

NRS 624.327 Certain records relating to investigation deemed confidential; certain records relating to disciplinary action deemed public records.

1. Except as otherwise provided in this section and [NRS 239.0115](#), the existence of and the personally identifying information in a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- (Added to NRS by [2003, 1898, 3422](#); A [2007, 861, 2132](#))

NRS 624.331 Complaint against licensee must be written and filed within certain period; Board must act on complaint within certain

period.

1. A complaint against a licensee for the commission of any act or omission that constitutes cause for disciplinary action pursuant to [NRS 624.300](#) must be filed in writing with the Board within 4 years after the act or omission.

2. The Board shall, within 2 years after the date on which the complaint is filed, initiate disciplinary action against the licensee or dismiss the complaint.

(Added to NRS by [1999, 2954](#); A [2007, 861](#))

NRS 624.335 Investigation of complaint by Investigations Office; notification of actions taken; resolution of complaint by Investigations Office; forwarding of complaint to appropriate agency for resolution.

1. The Investigations Office of the Board shall:

(a) Upon the receipt of a complaint against a licensee, initiate an investigation of the complaint.

(b) Within 10 days after receiving such a complaint, notify the licensee and, if known, the person making the complaint of the initiation of the investigation, and provide a copy of the complaint to the licensee.

(c) Upon the completion of its investigation of a complaint, provide the licensee and, if known, the person making the complaint with written notification of any action taken on the complaint and the reasons for taking that action.

2. The Investigations Office of the Board may attempt to resolve the complaint by:

(a) Meeting and conferring with the licensee and the person making the complaint; and

(b) Requesting the licensee to provide appropriate relief.

3. If the subject matter of the complaint is not within the jurisdiction of the Board, the Board or its designee may:

(a) Forward the complaint, together with any evidence or other information in the possession of the Board concerning the complaint, to any public or private agency which, in the opinion of the Board, would be effective in resolving the complaint; and

(b) Notify the person making the complaint of its action pursuant to paragraph (a) and of any other procedures which may be available to resolve the complaint.

(Added to NRS by [1999, 2951](#); A [2003, 1902](#))

NRS 624.341 Administrative citation; order to take corrective action; penalty.

1. If the Board or its designee, based upon a preponderance of the evidence, has reason to believe that a person has committed an act which constitutes a violation of this chapter or the regulations of the Board, the Board or its designee, as appropriate, may issue or authorize the issuance of a written administrative citation to the person. A citation issued pursuant to this section may include, without limitation:

(a) An order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, at the person's cost;

(b) An order to pay an administrative fine not to exceed \$50,000, except as otherwise provided in subsection 1 of [NRS 624.300](#); and

(c) An order to reimburse the Board for the amount of the expenses incurred to investigate the complaint.

2. If a written citation issued pursuant to subsection 1 includes an order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, the citation must state the time permitted for compliance, which must be not less than 15 business days after the date the person receives the citation, and specifically describe the action required to be taken.

3. The sanctions authorized by subsection 1 are separate from, and in addition to, any other remedy, civil or criminal, authorized by this chapter.

4. The failure of an unlicensed person to comply with a citation or order after it is final is a misdemeanor. If an unlicensed person does not pay an administrative fine imposed pursuant to this section within 60 days after the order of the Board becomes final, the order may be executed upon in the same manner as a judgment issued by a court.

(Added to NRS by [1999, 2951](#); A [2007, 861](#))

NRS 624.345 Contest of administrative citation: Time limit; effect of failure to contest citation within time limit; extension of time to contest citation; service of citation.

1. A person who is issued a written citation pursuant to [NRS 624.341](#) may contest the citation within 15 business days after the date on which the citation is served on the person.

2. A person may contest, without limitation:

(a) The facts forming the basis for the determination that the person has committed an act which constitutes a violation of this chapter or the regulations of the Board;

(b) The time allowed to take any corrective action ordered;

(c) The amount of any administrative fine ordered;

(d) The amount of any order to reimburse the Board for the expenses incurred to investigate the person; and

(e) Whether any corrective action described in the citation is reasonable.

3. If a person does not contest a citation issued pursuant to [NRS 624.341](#) within 15 business days after the date on which the citation is served on the person, or on or before such later date as specified by the Board pursuant to subsection 4, the citation shall be deemed a final order of the Board and not subject to review by any court or agency.

4. The Board may, for good cause shown, extend the time to contest a citation issued pursuant to [NRS 624.341](#).

5. For the purposes of this section, a citation shall be deemed to have been served on a person on:

(a) The date on which the citation is personally delivered to the person; or

(b) If the citation is mailed, the date on which the citation is mailed by certified mail to the last known business or residential address of the person.

(Added to NRS by [1999, 2952](#); A [2007, 862](#))

NRS 624.351 Contest of administrative citation or order to correct violation: Hearing. If a person contests a citation issued pursuant to [NRS 624.341](#) or order to correct a violation of the provisions of this chapter within 15 business days after he receives the citation or order, or on or before such later date as specified by the Board pursuant to subsection 4 of [NRS 624.345](#), the Board shall hold a hearing pursuant to [NRS 624.291](#).

(Added to NRS by [1999, 2952](#); A [2007, 862](#))

NRS 624.355 Annual review of complaints by Board; report to Governor and Legislature; duty to inform public.

1. On or before September 1 of each even-numbered year, the Board or its designee shall:

(a) Review the complaints received by the Board to ascertain whether there are any similarities or common trends among any of those complaints;

(b) Prepare a written summary that identifies potential difficulties in the regulation of contractors and the protection of the public pursuant to

this chapter; and

(c) Report any findings and recommendations for legislation to:

(1) The Governor; and

(2) The Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

2. The Board shall take such action as is necessary to keep the public informed of its activities pursuant to this section.

(Added to NRS by [1999, 2953](#))

NRS 624.361 Regulations. The Board shall adopt regulations concerning the:

1. Form of a written citation issued pursuant to [NRS 624.341](#);

2. Time required for a person to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board if he is so ordered pursuant to [NRS 624.341](#); and

3. Imposition of an administrative fine pursuant to the provisions of this chapter. The Board shall consider:

(a) The gravity of the violation;

(b) The good faith of the person; and

(c) Any history of previous violations of the provisions of this chapter by the person.

(Added to NRS by [1999, 2952](#); A [2007, 863](#))

RECOVERY FUND

NRS 624.400 Definitions. As used in [NRS 624.400](#) to [624.560](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 624.410](#) to [624.460](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.410 “Account” defined. “Account” means the account established pursuant to [NRS 624.470](#).

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.420 “Injured person” defined. “Injured person” means an owner who is damaged by the failure of a residential contractor to perform qualified services adequately.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.430 “Owner” defined. “Owner” means a natural person who owns a single-family residence and who contracts with a residential contractor for the performance of qualified services with respect to the residence. The term includes a subsequent owner.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.440 “Qualified services” defined. “Qualified services” means any construction, remodeling, repair or improvement performed by a residential contractor on a single-family residence occupied by the owner of the residence.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.450 “Residential contractor” defined. “Residential contractor” means a contractor who is licensed pursuant to this chapter and who contracts with the owner of a single-family residence to perform qualified services.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.460 “Subsequent owner” defined. “Subsequent owner” means a natural person who purchases a single-family residence from the owner of the residence.

(Added to NRS by [1999, 1967](#); A [2001, 141](#))

NRS 624.470 Establishment of account; reference to account as “Recovery Fund”; collection of biennial assessment; reduction in amount of assessment under certain circumstances; use of money in account.

1. Except as otherwise provided in subsection 3, in addition to the fee for a license required pursuant to [NRS 624.280](#), a residential contractor shall pay to the Board an assessment not to exceed the following amount, if the monetary limit on his license is:

Not more than \$1,000,000.....	\$200 per biennium
More than \$1,000,000 but limited.....	500 per biennium
Unlimited.....	1,000 per biennium

2. The Board shall administer and account separately for the money received from the assessments collected pursuant to subsection 1. The Board may refer to the money in the account as the “Recovery Fund.”

3. The Board shall reduce the amount of the assessments collected pursuant to subsection 1 when the balance in the account reaches 150 percent of the largest balance in the account during the previous fiscal year.

4. Except as otherwise provided in [NRS 624.540](#), the money in the account must be used to pay claims made by owners who are damaged by the failure of a residential contractor to perform qualified services adequately, as provided in [NRS 624.400](#) to [624.560](#), inclusive.

(Added to NRS by [1999, 1967](#); A [2003, 1902](#); [2007, 863](#))

NRS 624.480 Limitation on time to file complaint seeking recovery. Except as otherwise provided in [NRS 624.490](#), an injured person who wishes to recover from the account must file a complaint with the Board or its designee within 4 years after the completion of qualified services.

(Added to NRS by [1999, 1968](#))

NRS 624.490 Application to Board for satisfaction of judgment from account. Within 2 years after an injured person has obtained a judgment in any court of competent jurisdiction for recovery of damages against a residential contractor for an act or omission of the residential contractor that is in violation of this chapter or the regulations adopted pursuant thereto, the injured person may apply to the Board for satisfaction of the judgment from the account if:

1. The proceedings in connection with the judgment have terminated, including appeals;

2. He submits an application on a form established for this purpose by the Board;

3. He submits proof satisfactory to the Board of the judgment; and

4. Upon obtaining payment from the account, he assigns his rights to enforce the judgment to the Board.
(Added to NRS by [1999, 1968](#))

NRS 624.500 Hearing on complaint; limitation on time for acting on complaint.

1. The Board or its designee shall hold a hearing if the Board receives a complaint pursuant to [NRS 624.480](#). The time and place for the hearing must be fixed by the Board or its designee, and the Board or its designee shall notify the injured person in writing of the time and place of the hearing at least 30 days before the date fixed for the hearing.

2. Any testimony taken pursuant to [NRS 624.170](#) to [624.210](#), inclusive, must be considered a part of the record of the hearing before the Board or its designee.

3. The hearing must be public if a request is made for a public hearing.

4. The Board or its designee shall act upon the complaint within 6 months after the complaint is filed with the Board.

(Added to NRS by [1999, 1968](#))

NRS 624.510 Eligibility for recovery from account; maximum amount of individual recovery from account; Board subrogated to rights of injured person; maximum amount of recovery from account for claims against individual contractor.

1. Except as otherwise provided in [NRS 624.490](#) and subsection 2, an injured person is eligible for recovery from the account if the Board or its designee finds that the injured person suffered actual damages as a result of an act or omission of a residential contractor that is in violation of this chapter or the regulations adopted pursuant thereto.

2. An injured person is not eligible for recovery from the account if:

(a) The injured person is the spouse of the licensee, or a personal representative of the spouse of the licensee;

(b) The injured person was associated in a business relationship with the licensee other than the contract at issue; or

(c) At the time of contracting with the residential contractor, the license of the residential contractor was suspended or revoked pursuant to [NRS 624.300](#).

3. If the Board or its designee determines that an injured person is eligible for recovery from the account pursuant to this section or [NRS 624.490](#), the Board or its designee may pay out of the account:

(a) The amount of actual damages suffered, but not to exceed \$35,000; or

(b) If a judgment was obtained as set forth in [NRS 624.490](#), the amount of actual damages included in the judgment and remaining unpaid, but not to exceed \$35,000.

4. The decision of the Board or its designee regarding eligibility for recovery and all related issues is final and not subject to judicial review.

5. If the injured person has recovered a portion of his loss from sources other than the account, the Board shall deduct the amount recovered from the other sources from the amount payable upon the claim and direct the difference to be paid from the account.

6. To the extent of payments made from the account, the Board is subrogated to the rights of the injured person, including, without limitation, the right to collect from a surety bond or a cash bond. The Board and the Attorney General shall promptly enforce all subrogation claims.

7. The amount of recovery from the account based upon claims made against any single contractor must not exceed \$400,000.

8. As used in this section, "actual damages" includes attorney's fees or costs in contested cases appealed to the Supreme Court of this State. The term does not include any other attorney's fees or costs.

(Added to NRS by [1999, 1968](#); A [2005, 20](#))

NRS 624.520 Contractor to notify owner of rights related to account; written statement; administrative fine for noncompliance.

1. A residential contractor shall notify an owner with whom he contracts of the rights of the owner pursuant to [NRS 624.400](#) to [624.560](#), inclusive, including, without limitation, providing a written statement explaining those rights in any agreement or contract for qualified services. The written statement must be in substantially the following form:

RESIDENTIAL CONSTRUCTION RECOVERY FUND

Payment may be available from the Recovery Fund if you are damaged financially by a project performed on your residence pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specified violations of Nevada law by a contractor licensed in this State. To obtain information relating to the Recovery Fund and filing a claim for recovery from the Recovery Fund, you may contact the State Contractors' Board at the following locations:

State Contractors' Board
9670 Gateway Drive, Suite 100
Reno, Nevada 89521
Telephone number: (775) 688-1141

State Contractors' Board
2310 Corporate Circle, Suite 200
Henderson, Nevada 89074
Telephone number: (702) 486-1100

2. The Board may impose upon a contractor an administrative fine:

(a) Of not more than \$100 for the first violation of subsection 1; and

(b) Of not more than \$250 for a second or subsequent violation of subsection 1.

3. The Board shall deposit any money received pursuant to this section in the account established pursuant to [NRS 624.470](#).

(Added to NRS by [1999, 1970](#))

NRS 624.530 Board retains authority to pursue disciplinary action against residential contractor. The provisions of [NRS 624.400](#) to [624.560](#), inclusive, do not limit the authority of the Board to take disciplinary action against a residential contractor.

(Added to NRS by [1999, 1970](#))

NRS 624.540 Annual statement of condition of account to Legislature; employment of necessary persons; procurement of necessary equipment, supplies and services; interest credited to account; limit on expenditures.

1. The Board shall:

(a) On or before February 1 of each year, prepare and submit to the Director of the Legislative Counsel Bureau for transmittal to the appropriate legislative committee if the Legislature is in session, or to the Interim Finance Committee if the Legislature is not in session, a statement of the condition of the account that is prepared in accordance with generally accepted accounting principles.

(b) Employ accountants as necessary for the performance of the duties set forth in this section and pay any related expenses from the money in the account. Except as otherwise provided in subsection 3, the expenditures made by the Board pursuant to this paragraph must not exceed \$10,000 in any fiscal year.

(c) Employ or contract with persons and procure necessary equipment, supplies and services to be paid from or purchased with the money in the account as may be necessary to monitor or process claims filed by injured persons that may result in a recovery from the account.

2. Any interest earned on the money in the account must be credited to the account. The Board may expend the interest earned on the money in the account to increase public awareness of the account. Except as otherwise provided in subsection 3, the expenditures made by the Board for this purpose must not exceed \$50,000 in any fiscal year.

3. The total expenditures made by the Board pursuant to this section must not exceed 10 percent of the account in any fiscal year.

(Added to NRS by [1999, 1969](#))

NRS 624.550 Minimum balance in account. Once an initial balance of \$200,000 exists in the account, the Board shall maintain a minimum balance of \$200,000 in the account.

(Added to NRS by [1999, 1970](#))

NRS 624.560 Regulations. The Board shall adopt such regulations as are necessary to carry out the provisions of [NRS 624.400](#) to [624.560](#), inclusive, including, without limitation, regulations governing:

1. The disbursement of money from the account; and

2. The manner in which a complaint is filed with the Board or its designee pursuant to [NRS 624.480](#).

(Added to NRS by [1999, 1970](#))

COMMISSION ON CONSTRUCTION EDUCATION

NRS 624.570 Creation; members; expenses; duties; powers; regulations.

1. The Commission on Construction Education is hereby created.

2. The Commission consists of one member who is a member of the Board and six members appointed by the Governor as follows:

(a) Four members who are representatives of the construction industry; and

(b) Two members who have knowledge of construction education programs.

3. Each member of the Commission serves a term of 3 years.

4. The members of the Commission who are appointed by the Governor serve without compensation, per diem allowance or reimbursement for travel expenses. While engaged in the business of the Commission, the member who is a member of the Board shall receive from the Board the same salary, per diem allowance and reimbursement for travel expenses he receives while engaged in the business of the Board.

5. The Commission shall review programs of education which relate to building construction and distribute grants from the Construction Education Account created pursuant to [NRS 624.580](#) for programs that the Commission determines qualify for such a grant.

6. The Board may adopt regulations which establish the rules of procedure for meetings of the Commission.

7. The Commission shall adopt regulations providing:

(a) Procedures for applying for a grant of money from the Construction Education Account;

(b) Procedures for reviewing an application for a grant from the Construction Education Account; and

(c) Qualifications for receiving a grant from the Construction Education Account.

(Added to NRS by [2001, 2408](#))

NRS 624.580 Construction Education Account; administration.

1. There is hereby created a Construction Education Account as a separate account within the State General Fund.

2. Money deposited in the Account must be used:

(a) Solely for the purposes of construction education and to pay the costs of the Commission on Construction Education as described in accordance with subsection 3; and

(b) In addition to any other money provided for construction education from any other source.

3. The Commission on Construction Education shall administer the Construction Education Account and shall disburse the money in the Account as follows:

(a) At least 95 percent of the money deposited in the Account must be used to fund programs of education which relate to building construction and which the Commission on Construction Education determines qualify for grants; and

(b) Not more than 5 percent of the money deposited in the Account may be reserved for operating expenses incurred by the Commission on Construction Education pursuant to this section.

4. The unexpended and unencumbered balance, if any, remaining in the Construction Education Account at the end of each fiscal year, must remain in the Account.

(Added to NRS by [2001, 2409](#); A [2003, 173](#))

DISCLOSURES

NRS 624.600 Required disclosures by general building contractor. A general building contractor shall provide in writing to the owner of a single-family residence with whom he has contracted:

1. The name, license number, business address and telephone number of:

(a) All subcontractors with whom he has contracted on the project; and

(b) All persons who furnish material of the value of \$500 or more to be used in the project.

2. A notice that a person described in subsection 1 may record a notice of lien upon the residence of the owner and any building, structure and improvement thereon pursuant to the provisions of [NRS 108.226](#).

3. An informational form, whose contents must be prescribed by the Board, regarding:

(a) Contractors pursuant to [chapter 624](#) of NRS; and

(b) Mechanics' and materialmen's liens pursuant to [chapter 108](#) of NRS.

(Added to NRS by 1997, 2686)—(Substituted in revision for NRS 624.321)

NRS 624.605 Availability to contractor of names and addresses of subcontractors delinquent in payment of contributions for unemployment or industrial insurance. The Employment Security Division of the Department of Employment, Training and Rehabilitation and the Administrator of the Division of Industrial Relations of the Department of Business and Industry shall make available, upon request, to any licensed contractor the names and addresses of subcontractors who are delinquent in paying the amounts owed by the subcontractor to:

1. The Division for benefits for unemployment pursuant to [chapter 612](#) of NRS; and

2. A private carrier that provides industrial insurance in this State for premiums for industrial insurance.

(Added to NRS by 1983, 1350; A 1993, 1890; 1995, 634, 2048; [1999, 1828](#))—(Substituted in revision for NRS 624.640)

RIGHTS, DUTIES AND LIABILITIES UNDER CERTAIN AGREEMENTS FOR WORKS OF IMPROVEMENT

General Provisions

NRS 624.606 Definitions. As used in [NRS 624.606](#) to [624.630](#), inclusive, the words and terms defined in [NRS 624.607](#) to [624.6086](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [2001, 1615](#); A [2005, 1224, 1721](#))

NRS 624.607 “Higher-tiered contractor” defined. “Higher-tiered contractor” means a prime contractor or subcontractor who has entered into an oral or written agreement with a lower-tiered subcontractor pursuant to which the lower-tiered subcontractor has agreed to provide work, materials or equipment for a work of improvement.

(Added to NRS by [2001, 1615](#); A [2005, 1721](#))

NRS 624.608 “Lower-tiered subcontractor” defined. “Lower-tiered subcontractor” means a subcontractor who has agreed in an oral or written agreement with a higher-tiered contractor to provide work, materials or equipment for a work of improvement.

(Added to NRS by [2001, 1615](#); A [2005, 1722](#))

NRS 624.6084 “Owner” defined.

1. “Owner” means an owner or lessee of real property or any improvement who enters into an oral or written agreement with a prime contractor pursuant to which the prime contractor agrees to provide work, materials or equipment for a work of improvement.

2. The term includes, without limitation, an owner of a planned unit development who enters into one or more oral or written agreements to construct a work of improvement in the planned unit development in the manner described in subsection 5 of [NRS 624.020](#).

(Added to NRS by [2005, 1223, 1721](#))

NRS 624.6086 “Prime contractor” defined. “Prime contractor” means a contractor who enters into an oral or written agreement with an owner pursuant to which the prime contractor agrees to provide work, materials or equipment for a work of improvement.

(Added to NRS by [2005, 1223, 1721](#))

Agreements Between Owner and Prime Contractor

NRS 624.609 Payment of prime contractor during performance of agreement; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding, notice of objection or notice of correction.

1. Except as otherwise provided in subsections 2 and 4 and subsection 4 of [NRS 624.622](#), if an owner of real property enters into a written or oral agreement with a prime contractor for the performance of work or the provision of materials or equipment by the prime contractor, the owner must:

(a) Pay the prime contractor on or before the date a payment is due pursuant to a schedule for payments established in a written agreement; or

(b) If no such schedule is established or if the agreement is oral, pay the prime contractor within 21 days after the date the prime contractor submits a request for payment.

2. If an owner has complied with subsection 3, the owner may:

(a) Withhold from any payment to be made to the prime contractor:

(1) A retention amount that, if the owner is authorized to withhold a retention amount pursuant to the agreement, must not exceed 10 percent of the amount of the payment to be made;

(2) An amount equal to the sum of the value of:

(I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and

(II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1); and

(3) The amount the owner has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner is or may reasonably be liable for the prime contractor or his lower-tiered subcontractors in accordance with [chapter 608, 612, 616A to 616D](#), inclusive, or [617](#) of NRS; and

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the prime contractor and his lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of [NRS 108.2457](#).

3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must give, on or before the date the payment is due, a written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the prime contractor;

(b) Give a reasonably detailed explanation of the condition or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and

(c) Be signed by an authorized agent of the owner.

4. A prime contractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the owner a written notice and thereby dispute in good faith and for reasonable cause the amount withheld, or the condition or reason for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the owner shall:

(1) Pay the amount withheld by the owner for that condition or reason for the withholding on or before the date the next payment is due the prime contractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is

due to the prime contractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, he shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.

5. Except as otherwise allowed in subsections 2, 3 and 4, an owner shall not withhold from a payment to be made to a prime contractor more than the retention amount.

(Added to NRS by [2001, 1619](#); A [2005, 1722](#))

NRS 624.610 Grounds and procedure for stopping work or terminating agreement; change orders; damages and other remedies; rights of lower-tiered subcontractors; limitations on liability.

1. If:

(a) An owner fails to pay the prime contractor in the time and manner required by subsection 1 or 4 of [NRS 624.609](#);

(b) An owner fails to give the prime contractor written notice of any withholding in the time and manner required by subsection 3 or 4 of [NRS 624.609](#);

(c) After receipt of a notice of withholding given pursuant to subsection 3 or 4 of [NRS 624.609](#), the prime contractor gives the owner written notice pursuant to subsection 4 of [NRS 624.609](#) and thereby disputes in good faith and for reasonable cause the amount withheld or the condition or reason for the withholding; or

(d) Within 30 days after the date that a written request for a change order is submitted by the prime contractor to the owner, the owner fails to:

(1) Issue the change order; or

(2) If the request for a change order is unreasonable or does not contain sufficient information to make a determination, give written notice to the prime contractor of the reasons why the change order is unreasonable or explain that additional information and time are necessary to make a determination,

→ the prime contractor may stop work after giving written notice to the owner at least 10 days before stopping work.

2. If a prime contractor stops work pursuant to paragraph (a), (b) or (c) of subsection 1, the prime contractor may terminate the agreement by giving written notice of termination to the owner after stopping work but at least 15 days before terminating the agreement. If the prime contractor is paid the amount due before the date for termination of the agreement set forth in the written notice, the prime contractor shall not terminate the agreement and shall resume his work.

3. If an owner fails to issue a change order or give written notice to the prime contractor pursuant to the provisions of paragraph (d) of subsection 1:

(a) The agreement price must be increased by the amount sought in the request for a change order;

(b) The time for performance must be extended by the amount sought in the request for a change order;

(c) The prime contractor may submit to the owner a bill or invoice for the labor, materials, equipment or services that are the subject of the request for a change order; and

(d) The owner shall pay the prime contractor for such labor, materials, equipment or services with the next payment made to the prime contractor.

4. If the owner through his own act or neglect, or through an act or neglect of his agent, excluding acts of God, floods, fires, labor disputes, strikes or reasonable adjustments to work schedules, causes the work to be stopped for a period of 15 days or more, the prime contractor may terminate the agreement if:

(a) The prime contractor gives written notice of his intent to terminate to the owner at least 10 days before terminating the agreement; and

(b) The owner fails to allow work to resume within the time set forth in the written notice given pursuant to paragraph (a).

5. If a prime contractor stops work pursuant to subsection 1, the owner may terminate the agreement by giving the prime contractor written notice of his intent to terminate at least 15 days before terminating the agreement.

6. If the agreement is terminated pursuant to subsection 4, or if the prime contractor stops work in accordance with this section and the agreement is terminated pursuant to subsection 1 or 5, the prime contractor is entitled to recover from the owner payment in an amount found by a trier of fact to be due the prime contractor, including, without limitation:

(a) The cost of all work, labor, materials, equipment and services furnished by and through the prime contractor, including any overhead the prime contractor and his lower-tiered subcontractors and suppliers incurred and profit the prime contractor and his lower-tiered subcontractors and suppliers earned through the date of termination;

(b) The balance of the profit that the prime contractor and his lower-tiered subcontractors and suppliers would have received if the agreement had been performed in full;

(c) Interest determined pursuant to [NRS 624.630](#); and

(d) The reasonable costs, including court and arbitration costs, incurred by the prime contractor and his lower-tiered subcontractors in collecting the amount due.

→ In any action brought to enforce the rights or obligations set forth in this subsection, the trier of fact may award reasonable attorney's fees to the prime contractor and his lower-tiered subcontractors and suppliers or, if the trier of fact determines that the prime contractor stopped work or terminated the agreement without a reasonable basis in law or fact, the trier of fact may award reasonable attorney's fees and costs, including court and arbitration costs, to the owner.

7. If a prime contractor stops work pursuant to subsection 1, each lower-tiered subcontractor with whom the prime contractor has entered into an agreement and who has not fully performed under that agreement may also stop work on the work of improvement. If a prime contractor terminates an agreement pursuant to this section, all such lower-tiered subcontractors may terminate their agreements with the prime contractor.

8. The right of a prime contractor to stop work or terminate an agreement pursuant to this section is in addition to all other rights that the prime contractor may have at law or in equity and does not impair or affect the right of a prime contractor to maintain a civil action or to submit any controversy arising under the agreement with the owner to arbitration.

9. No prime contractor or his lower-tiered subcontractors or suppliers, or their respective sureties, may be held liable for any delays or damages that an owner may suffer as a result of the prime contractor or lower-tiered subcontractors or suppliers stopping their work or the provision of materials or equipment or terminating an agreement for a reasonable basis in law or fact and in accordance with this section or reasonable cause and in accordance with this section or [NRS 624.626](#).

(Added to NRS by 1975, 1382; A 1987, 533; 1989, 1535; 1991, 146; [1999, 238](#); [2001, 1622](#); [2005, 1723](#))

NRS 624.620 Payment of prime contractor after work of improvement is available for use or occupancy; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding or notice of correction; partial payments.

1. Except as otherwise provided in this section, any money remaining unpaid for the construction of a work of improvement is payable to the prime contractor within 30 days after:

(a) Occupancy or use of the work of improvement by the owner or by a person acting with the authority of the owner; or

- (b) The availability of a work of improvement for its intended use. The prime contractor must have provided to the owner:
- (1) A written notice of availability on or before the day on which he claims that the work of improvement became available for use or occupancy; or
 - (2) A certificate of occupancy issued by the appropriate building inspector or other authority.
2. If the owner has complied with subsection 3, the owner may:
- (a) Withhold payment for the amount of:
 - (1) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is sought;
 - (2) The costs and expenses reasonably necessary to correct or repair any work that is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the amount of retention being withheld pursuant to the terms of the agreement; and
 - (3) Money the owner has paid or is required to pay pursuant to an official notice from a state agency, or employee benefit trust fund, for which the owner is liable for the prime contractor or his lower-tiered subcontractors in accordance with [chapter 608](#), [612](#), [616A](#) to [616D](#), inclusive, or [617](#) of NRS.
 - (b) Require, as a condition precedent to the payment of any unpaid amount under the agreement, that lien releases be furnished by the prime contractor and his lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of [NRS 108.2457](#).
3. If, pursuant to paragraph (a) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must, on or before the date the payment is due, give written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:
- (a) Identify the amount that will be withheld from the prime contractor;
 - (b) Give a reasonably detailed explanation of the condition for which or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the prime contractor, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and
 - (c) Be signed by an authorized agent of the owner.
4. A prime contractor who receives a notice of withholding pursuant to subsection 3 may correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding described in an owner's notice of withholding pursuant to subsection 3, the owner must, within 10 days after receipt of such notice:
- (a) Pay the amount withheld by the owner for that condition or reason for the withholding; or
 - (b) Object to the scope and manner of the correction of the condition or reason for the withholding in a written statement that sets forth the reason for the objection and complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, he shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.
5. The partial occupancy or availability of a building requires payment in direct proportion to the value of the part of the building which is partially occupied or partially available. For works of improvement which involve more than one building, each building must be considered separately in determining the amount of money which is payable to the prime contractor.
- (Added to NRS by 1983, 425; A 1987, 557; [2001, 1624](#); [2003, 2619](#); [2005, 1224, 1726](#))

NRS 624.622 Requirements concerning notices; prohibited provisions; exemptions; requests for information.

1. A prime contractor shall provide a copy of any notice given to an owner pursuant to subsection 1 or 2 of [NRS 624.610](#) to each lower-tiered subcontractor with whom the prime contractor has entered into an agreement. Upon receipt of payment pursuant to [NRS 624.609](#), the prime contractor shall notify all such lower-tiered subcontractors in writing of his receipt of payment.
2. A condition, stipulation or provision in an agreement which:
 - (a) Requires a prime contractor to waive any rights provided in this section, [NRS 624.609](#), [624.610](#), [624.620](#) or [624.630](#), or which limits those rights;
 - (b) Relieves an owner of any obligation or liability imposed pursuant to [NRS 624.606](#) to [624.630](#), inclusive; or
 - (c) Requires a prime contractor to waive, release or extinguish a claim or right for damages or an extension of time that the prime contractor may otherwise possess or acquire as a result of delay, acceleration, disruption or an impact event that is unreasonable under the circumstances, that was not within the contemplation of the parties at the time the agreement was entered into, or for which the prime contractor is not responsible, is against public policy and is void and unenforceable.
3. All notices required pursuant to this section, [NRS 624.609](#), [624.610](#) and [624.620](#) must be:
 - (a) Delivered personally, in which case the prime contractor shall obtain a notarized statement from the person who delivered the notice as proof of delivery;
 - (b) Sent by facsimile and delivered by regular mail, in which case the prime contractor shall retain proof of a successful transmission of the facsimile;
 - (c) Delivered by certified mail; or
 - (d) Delivered in the manner provided for in the agreement.
4. This section, [NRS 624.609](#), [624.610](#) and [624.620](#) do not apply to an agreement between:
 - (a) A prime contractor and a natural person who owns a single-family residence for the performance of qualified services with respect to the residence; or
 - (b) A public body and a prime contractor for the performance of work and labor on a public work.
5. Within 5 days after an owner receives a written request for the information set forth in paragraphs (a), (b) and (c) from a lower-tiered subcontractor, the owner shall notify the lower-tiered subcontractor in writing of the following:
 - (a) The date the owner made a specified payment to his prime contractor;
 - (b) Whether the owner has paid the entire amount of a specified payment to his prime contractor; and
 - (c) The amount withheld by the owner from a specified payment to the prime contractor and the condition or reason for the withholding.

(Added to NRS by [2001, 1620](#); A [2005, 1727](#))

Agreements Between Higher-Tiered Contractor and Lower-Tiered Subcontractor

NRS 624.624 Payment of lower-tiered subcontractor; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding, notice of objection or notice of correction.

1. Except as otherwise provided in this section, if a higher-tiered contractor enters into:

(a) A written agreement with a lower-tiered subcontractor that includes a schedule for payments, the higher-tiered contractor shall pay the lower-tiered subcontractor:

(1) On or before the date payment is due; or

(2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, materials or equipment described in a request for payment submitted by the lower-tiered subcontractor,
➤ whichever is earlier.

(b) A written agreement with a lower-tiered subcontractor that does not contain a schedule for payments, or an agreement that is oral, the higher-tiered contractor shall pay the lower-tiered subcontractor:

(1) Within 30 days after the date the lower-tiered subcontractor submits a request for payment; or

(2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, labor, materials, equipment or services described in a request for payment submitted by the lower-tiered subcontractor,
➤ whichever is earlier.

2. If a higher-tiered contractor has complied with subsection 3, the higher-tiered contractor may:

(a) Withhold from any payment owed to the lower-tiered subcontractor:

(1) A retention amount that the higher-tiered contractor is authorized to withhold pursuant to the agreement, but the retention amount withheld must not exceed 10 percent of the payment that is required pursuant to subsection 1;

(2) An amount equal to the sum of the value of:

(I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and

(II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1); and

(3) The amount the owner or higher-tiered contractor has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner or higher-tiered contractor is or may reasonably be liable for the lower-tiered subcontractor or his lower-tiered subcontractors in accordance with [chapter 608, 612, 616A to 616D](#), inclusive, or [617](#) of NRS; and

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of [NRS 108.2457](#).

3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, a higher-tiered contractor intends to withhold any amount from a payment to be made to a lower-tiered subcontractor, the higher-tiered contractor must give, on or before the date the payment is due, a written notice to the lower-tiered subcontractor of any amount that will be withheld and give a copy of such notice to all reputed higher-tiered contractors and the owner. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the lower-tiered subcontractor;

(b) Give a reasonably detailed explanation of the condition or the reason the higher-tiered contractor will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the lower-tiered subcontractor, and any documents relating thereto, and the applicable building code, law or regulation with which the lower-tiered subcontractor has failed to comply; and

(c) Be signed by an authorized agent of the higher-tiered contractor.

4. A lower-tiered subcontractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the higher-tiered contractor a written notice and thereby dispute in good faith and for reasonable cause the amount withheld or the conditions or reasons for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the higher-tiered contractor of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the lower-tiered subcontractor. If a higher-tiered contractor receives a written notice from the lower-tiered subcontractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the higher-tiered contractor shall:

(1) Pay the amount withheld by the higher-tiered contractor for that condition or reason for the withholding on or before the date the next payment is due the lower-tiered subcontractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the lower-tiered subcontractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the higher-tiered contractor objects to the scope and manner of the correction of a condition or reason for the withholding, he shall nevertheless pay to the lower-tiered subcontractor, along with payment to be made pursuant to the lower-tiered subcontractor's next payment request, the amount withheld for the correction of the conditions or reasons for the withholding to which the higher-tiered contractor no longer objects.

5. Except as otherwise allowed in subsections 2, 3 and 4, a higher-tiered contractor shall not withhold from a payment to be made to a lower-tiered subcontractor more than the retention amount.

(Added to NRS by [2001, 1615](#); A [2005, 1728](#))

NRS 624.626 Grounds and procedure for stopping work or terminating agreement; change orders; damages and other remedies; rights of lower-tiered subcontractors after work stoppage or termination of agreement; limitations on liability.

1. If:

(a) A higher-tiered contractor fails to pay the lower-tiered subcontractor within the time provided in subsection 1 or 4 of [NRS 624.624](#);

(b) A higher-tiered contractor fails to pay the lower-tiered subcontractor within 45 days after the 25th day of the month in which the lower-tiered subcontractor submits a request for payment, even if the higher-tiered contractor has not been paid and the agreement contains a provision which requires the higher-tiered contractor to pay the lower-tiered subcontractor only if or when the higher-tiered contractor is paid;

(c) A higher-tiered contractor fails to give the lower-tiered subcontractor written notice of any withholding in the time and manner required by subsection 3 or 4 of [NRS 624.624](#);

(d) After receipt of a notice of withholding pursuant to subsection 3 or 4 of [NRS 624.624](#), the lower-tiered subcontractor gives the higher-tiered contractor written notice pursuant to subsection 4 of [NRS 624.624](#) and thereby disputes in good faith and for reasonable cause the amount withheld or the condition or reason for the withholding; or

(e) Within 30 days after the date that a written request for a change order is submitted by the lower-tiered subcontractor to the higher-tiered contractor, the higher-tiered contractor fails to:

(1) Issue the change order; or

(2) If the request for a change order is unreasonable, give written notice to the lower-tiered subcontractor of the reasons why the change order is unreasonable,

↪ the lower-tiered subcontractor may stop work under the agreement until payment is received if the lower-tiered subcontractor gives written notice to the higher-tiered contractor at least 10 days before stopping work.

2. If a lower-tiered subcontractor stops work pursuant to paragraph (a), (c) or (d) of subsection 1, the lower-tiered subcontractor may terminate the agreement with the higher-tiered contractor by giving written notice of the termination to the higher-tiered contractor after stopping work but at least 15 days before the termination of the agreement. If the lower-tiered subcontractor is paid the amount due before the date for termination set forth in the written notice, the lower-tiered subcontractor shall not terminate the agreement and shall resume his work.

3. If a higher-tiered contractor fails to issue a change order or fails to give written notice pursuant to paragraph (e) of subsection 1:

(a) The agreement price must be increased by the amount sought in the request for a change order;

(b) The time for performance must be extended by the amount sought in the request for a change order;

(c) The lower-tiered subcontractor may submit to the higher-tiered contractor a bill or invoice for the labor, materials, equipment or services that are the subject of the request for a change order; and

(d) The higher-tiered contractor shall pay the lower-tiered subcontractor for such labor, materials, equipment or services with the next payment made to the lower-tiered subcontractor.

4. If an owner or higher-tiered contractor through his own act or neglect, or through an act or neglect of his agent, excluding acts of God, floods, fires, labor disputes, strikes or reasonable adjustments in work schedules, causes the work to be stopped for a period of 15 days or more, the lower-tiered subcontractor may terminate the agreement if:

(a) The lower-tiered subcontractor gives written notice of his intent to terminate to the higher-tiered contractor at least 10 days before terminating the agreement; and

(b) The higher-tiered contractor fails to allow the lower-tiered subcontractor to resume the work within the time set forth in the written notice given pursuant to paragraph (a).

5. If a lower-tiered subcontractor stops work pursuant to paragraph (a), (c) or (d) of subsection 1, the higher-tiered contractor may terminate the agreement by giving the lower-tiered subcontractor written notice of his intent to terminate at least 15 days before terminating the agreement.

6. If the agreement is terminated pursuant to subsection 4, or if the lower-tiered subcontractor stops work in accordance with this section and the agreement is terminated pursuant to subsection 2 or 5, the lower-tiered subcontractor is entitled to recover from the higher-tiered contractor with whom he has entered into an agreement the amount found by a trier of fact to be due the lower-tiered subcontractor, including, without limitation:

(a) The cost of all work, labor, materials, equipment and services furnished by and through the lower-tiered subcontractor, including any overhead the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers incurred and profit the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers earned through the date of termination;

(b) The balance of the profit that the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers would have received if the agreement had been performed in full;

(c) Interest determined pursuant to [NRS 624.630](#); and

(d) The reasonable costs, including court costs and arbitration costs, incurred by the lower-tiered subcontractor and his lower-tiered subcontractors in collecting the amount due.

↪ In any action brought to enforce the rights or obligations set forth in this subsection, the trier of fact may award reasonable attorney's fees to the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers or, if the trier of fact determines that the lower-tiered subcontractor stopped work or terminated the agreement without a reasonable basis in law or fact, the trier of fact may award reasonable attorney's fees and costs, including court costs and arbitration costs, to the higher-tiered contractor.

7. If a lower-tiered subcontractor stops work pursuant to this section, each lower-tiered subcontractor with whom the lower-tiered subcontractor has entered into an agreement and who has not fully performed under the agreement may also stop work on the work of improvement. If a lower-tiered subcontractor terminates an agreement pursuant to this section, all of his lower-tiered subcontractors may terminate their agreements with the lower-tiered subcontractor.

8. The right of a lower-tiered subcontractor to stop work or terminate an agreement pursuant to this section is in addition to all other rights that the lower-tiered subcontractor may have at law or in equity and does not impair or affect the right of a lower-tiered subcontractor to maintain a civil action or to submit any controversy arising under the agreement to arbitration.

9. No lower-tiered subcontractor or his lower-tiered subcontractors or suppliers, or their respective sureties, may be held liable for any delays or damages that an owner or higher-tiered contractor may suffer as a result of the lower-tiered subcontractor and his lower-tiered subcontractors and suppliers stopping their work or the provision of materials or equipment or terminating an agreement for a reasonable basis in law or fact and in accordance with this section.

(Added to NRS by [2001, 1617](#); A [2005, 1731](#))

NRS 624.628 Requirements concerning notices; prohibited provisions; requests for information.

1. A lower-tiered subcontractor shall provide a copy of any notice given to a higher-tiered contractor pursuant to this section or [NRS 624.624](#) or [624.626](#) to each lower-tiered subcontractor with whom the lower-tiered subcontractor has entered into an agreement and who has not fully performed under the agreement. Upon receipt of payment pursuant to [NRS 624.624](#), the lower-tiered subcontractor shall notify all of his lower-tiered subcontractors in writing of his receipt of payment.

2. A lower-tiered subcontractor shall provide a copy of any notice given to a higher-tiered contractor pursuant to this section or [NRS 624.624](#) or [624.626](#) to all other higher-tiered contractors and the owner, if known. The failure of a lower-tiered subcontractor to comply with this subsection does not invalidate any notice otherwise properly given.

3. A condition, stipulation or provision in an agreement which:

(a) Requires a lower-tiered subcontractor to waive any rights provided in this section or [NRS 624.624](#), [624.626](#) or [624.630](#) or which limits those rights;

(b) Relieves a higher-tiered contractor of any obligation or liability imposed pursuant to this section, [NRS 624.624](#), [624.626](#) or [624.630](#); or

(c) Requires a lower-tiered subcontractor to waive, release or extinguish a claim or right for damages or an extension of time that the lower-tiered subcontractor may otherwise possess or acquire as a result of delay, acceleration, disruption or an impact event that is unreasonable under the circumstances, that was not within the contemplation of the parties at the time the agreement was entered into, or for which the lower-tiered subcontractor is not responsible,

↪ is against public policy and is void and unenforceable.

4. All notices required pursuant to this section or [NRS 624.624](#) or [624.626](#) must be:

(a) Delivered personally, in which case the lower-tiered subcontractor shall obtain a notarized statement from the person who delivered the notice as proof of delivery;

(b) Sent by facsimile and delivered by regular mail, in which case the lower-tiered subcontractor shall retain proof of a successful transmission of the facsimile;

(c) Delivered by certified mail; or

(d) Delivered in the manner provided in the agreement between the higher-tiered contractor and the lower-tiered subcontractor.

5. Within 5 days after the owner or any higher-tiered contractor receives a written request for the information set forth in paragraphs (a), (b) and (c) from a lower-tiered subcontractor with respect to an agreement that has not been fully performed, the owner or higher-tiered contractor shall notify the lower-tiered subcontractor in writing of the following:

(a) The date the owner or higher-tiered contractor made a specified payment to the prime contractor or lower-tiered subcontractor;

(b) Whether the owner or higher-tiered contractor has paid the prime contractor or lower-tiered subcontractor the entire amount of a specified payment; and

(c) The amount withheld by the owner or higher-tiered contractor of a specified payment to his prime contractor or lower-tiered subcontractor and the condition or reason for the withholding.

(Added to NRS by [2001, 1618](#); A [2005, 1733](#))

Payment of Interest

NRS 624.630 Accrual of interest on money due; rate of interest. Any money which is payable to a prime contractor, higher-tiered contractor or lower-tiered subcontractor pursuant to [NRS 624.609](#), [624.610](#), [624.620](#), [624.624](#), [624.626](#) or [624.628](#) accrues interest from the time it becomes due at a rate equal to the higher of:

1. The rate agreed upon in the agreement between the parties; or

2. The rate equal to the prime rate at the largest bank in this State, as determined by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding:

(a) The time at which the agreement was signed; or

(b) If the agreement was oral, the time at which the terms of the agreement were agreed to by the parties,

➤ plus 4 percent until the date of payment.

(Added to NRS by 1987, 557; A [2005, 1734](#))

UNLAWFUL ACTS; PENALTIES

NRS 624.700 Engaging in business or submitting bid without license unlawful; prosecution; damages; bid submitted in violation of section void.

1. It is unlawful for any person or combination of persons to:

(a) Engage in the business or act in the capacity of a contractor within this State; or

(b) Submit a bid on a job situated within this State,

➤ without having an active license therefor as provided in this chapter, unless that person or combination of persons is exempted from licensure pursuant to [NRS 624.031](#).

2. The district attorneys in this State shall prosecute all violations of this section which occur in their respective counties, unless the violations are prosecuted by the Attorney General. Upon the request of the Board, the Attorney General shall prosecute any violation of this section in lieu of prosecution by the district attorney.

3. In addition to any other penalty imposed pursuant to this chapter, a person who is convicted of violating subsection 1 may be required to pay:

(a) Court costs and the costs of prosecution;

(b) Reasonable costs of the investigation of the violation to the Board;

(c) Damages he caused as a result of the violation up to the amount of his pecuniary gain from the violation; or

(d) Any combination of paragraphs (a), (b) and (c).

4. If a person submits a bid or enters into a contract in violation of subsection 1, the bid or contract shall be deemed void ab initio.

[1:Art. VII:186:1941; A 1953, 521]—(NRS A 1967, 1042; 1969, 939; 1987, 771; 1995, 927; [1999, 2957](#))

NRS 624.710 Administrative fine for engaging in business or submitting bid without license; fine cumulative; action for fine; deposit of fine in Construction Education Account.

1. If any person violates the provisions of subsection 1 of [NRS 624.700](#), subsection 1, 2 or 3 of [NRS 624.720](#) or [NRS 624.740](#), the Board may impose for each violation an administrative fine in an amount that is not less than \$1,000 and not more than \$50,000.

2. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to this section. The standards must include, without limitation, provisions requiring the Board to consider:

(a) The gravity of the violation;

(b) The good faith of the person; and

(c) Any history of previous violations of the provisions of this chapter or the regulations of the Board committed by the person.

3. An administrative fine imposed pursuant to this section is in addition to any other penalty imposed pursuant to this chapter.

4. If the administrative fine and any interest imposed pursuant to [NRS 624.300](#) is not paid when due, the fine and interest, if any, must be recovered in a civil action brought by the Attorney General on behalf of the Board.

5. All administrative fines and interest collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to [NRS 624.580](#).

(Added to NRS by 1995, 926; A [2001, 2415](#); [2005, 1208](#); [2007, 863](#))

NRS 624.720 Unlawful advertising; disconnection of telephone number or beeper listed in unlawful advertisement.

1. It is unlawful for any person, including a person exempt under the provisions of [NRS 624.031](#), to advertise as a contractor unless he has a license in the appropriate classification established by the provisions of [NRS 624.215](#) and [624.220](#).

2. It is unlawful for a licensed contractor to disseminate, as part of any advertising by the contractor, any false or misleading statement or representation of material fact that is intended, directly or indirectly, to induce another person to use the services of the contractor or to enter into any contract with the contractor or any obligation relating to such a contract.

3. All advertising by a licensed contractor must include the name of his company and the number of his license.

4. If, after giving notice and holding a hearing pursuant to [NRS 624.291](#), the Board determines that a person has engaged in advertising in a manner that violates the provisions of this section, the Board may, in addition to any penalty, punishment or disciplinary action authorized by the provisions of this chapter, issue an order to the person to cease and desist the unlawful advertising and to:

(a) Cause any telephone number included in the advertising, other than a telephone number to a provider of paging services, to be disconnected.

(b) Request the provider of paging services to change the number of any beeper which is included in the advertising or disconnect the paging services to such a beeper, and to inform the provider of paging services that the request is made pursuant to this section.

5. If a person fails to comply with paragraph (a) of subsection 4 within 5 days after the date that he receives an order pursuant to subsection 4, the Board may request the Public Utilities Commission of Nevada to order the appropriate provider of telephone service to disconnect any telephone number included in the advertisement, except for a telephone number to a provider of paging services. If a person fails to comply with paragraph (b) of subsection 4 within 5 days after the date he receives an order pursuant to subsection 4, the Board may request the provider of paging services to switch the beeper number or disconnect the paging services provided to the person, whichever the provider deems appropriate.

6. If the provider of paging services receives a request from a person pursuant to subsection 4 or a request from the Board pursuant to subsection 5, it shall:

- (a) Disconnect the paging service to the person; or
- (b) Switch the beeper number of the paging service provided to the person.

➔ If the provider of paging services elects to switch the number pursuant to paragraph (b), it shall not forward or offer to forward the paging calls from the previous number, or provide or offer to provide a recorded message that includes the new beeper number.

7. As used in this section:

(a) "Advertising" includes, but is not limited to, the issuance of any sign, card or device, or the permitting or allowing of any sign or marking on a motor vehicle, in any building, structure, newspaper, magazine or airway transmission, on the Internet or in any directory under the listing of "contractor" with or without any limiting qualifications.

(b) "Beeper" means a portable electronic device which is used to page the person carrying it by emitting an audible or a vibrating signal when the device receives a special radio signal.

(c) "Provider of paging services" means an entity, other than a public utility, that provides paging service to a beeper.

(d) "Provider of telephone service" has the meaning ascribed to it in [NRS 707.355](#).

(Added to NRS by 1975, 1159; A 1987, 1101; [1999, 2857, 2965](#); [2001, 213](#); [2005, 1208](#))

NRS 624.730 Unlawful to sit for examination on behalf of another; unlawful to provide any portion of examination to another.

1. Except as otherwise provided in this chapter, any person other than an applicant for a contractor's license who takes an examination of the Board on behalf of the applicant, is guilty of a misdemeanor.

2. Any person who, without the authorization of the Board, provides any portion of an examination of the Board to another person, is guilty of a misdemeanor.

(Added to NRS by [1999, 2954](#))

NRS 624.740 Unlawful to act in joint venture or combination without additional license.

1. It is unlawful for any two or more licensees, whose licenses have been limited by the Board to contracts not exceeding certain monetary sums and each of whom has been issued a license to engage separately in the business or to act separately in the capacity of a contractor within this State, jointly to submit a bid or otherwise act in the capacity of a contractor within this State without first having secured an additional license for acting in the capacity of such a joint venture or combination in accordance with the provisions of this chapter as provided for an individual, copartnership or corporation.

2. A licensee whose license is limited to contracts not exceeding certain monetary sums cannot be a party to a joint venture unless such licensee has secured an additional license for such joint venture.

[4:Art. II:186:1941; A 1951, 47]—(NRS A 1963, 695)—(Substituted in revision for NRS 624.290)

NRS 624.750 Other unlawful acts or omissions; penalties for unlawful acts and omissions.

1. It is unlawful for a person to commit any act or omission described in subsection 1 of [NRS 624.3012](#), subsection 2 of [NRS 624.3013](#), [NRS 624.3014](#) or subsection 1, 3 or 7 of [NRS 624.3016](#).

2. Unless a greater penalty is otherwise provided by a specific statute, any person who violates subsection 1, [NRS 624.305](#), subsection 1 of [NRS 624.700](#) or [NRS 624.720](#) or [624.740](#):

(a) For a first offense, is guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000, and may be further punished by imprisonment in the county jail for not more than 6 months.

(b) For the second offense, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 1 year.

(c) For the third or subsequent offense, is guilty of a category E felony and shall be punished by a fine of not less than \$5,000 nor more than \$10,000 and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.

3. It is unlawful for a person to receive money for the purpose of obtaining or paying for services, labor, materials or equipment if the person:

(a) Willfully fails to use that money for that purpose by failing to complete the improvements for which the person received the money or by failing to pay for any services, labor, materials or equipment provided for that construction; and

(b) Wrongfully diverts that money to a use other than that for which it was received.

4. Unless a greater penalty is otherwise provided by a specific statute, any person who violates subsection 3:

(a) If the amount of money wrongfully diverted is \$1,000 or less, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 1 year.

(b) If the amount of money wrongfully diverted is more than \$1,000, is guilty of a category E felony and shall be punished by a fine of not less than \$5,000 nor more than \$10,000, and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.

5. Imposition of a penalty provided for in this section is not precluded by any disciplinary action taken by the Board against a contractor pursuant to the provisions of [NRS 624.300](#) to [624.305](#), inclusive.

[2:Art. VII:186:1941; A 1955, 378]—(NRS A 1967, 639; 1971, 182; 1975, 1161; 1981, 634; 1991, 146; [1999, 2966](#); [2001, 2983](#); [2003, 1903](#))

PROSECUTION OF VIOLATIONS

NRS 624.800 Statute of limitations for certain violations. For any violation of the provisions of [NRS 624.005](#) to [624.750](#), inclusive, that is punishable as a misdemeanor, an indictment must be found, or an information or complaint filed, within 2 years after the commission of the offense.

(Added to NRS by [2005, 1200](#))

RESIDENTIAL SWIMMING POOLS AND SPAS

NRS 624.900 Definitions. As used in [NRS 624.900](#) to [624.965](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 624.905](#), [624.910](#) and [624.915](#) have the meanings ascribed to them in those sections.

(Supplied in revision)

NRS 624.905 “Contract” defined. “Contract” means any contract or agreement in which a contractor agrees to perform work concerning a residential pool or spa.

(Added to NRS by 1997, 2698; A [2001, 2977](#); [2005, 2377](#))—(Substituted in revision for part of NRS 597.713)

NRS 624.910 “Contractor” defined. “Contractor” means a person licensed pursuant to the provisions of this chapter who performs work concerning a residential pool or spa.

(Added to NRS by 1997, 2698; A [2001, 2977](#); [2005, 2377](#))—(Substituted in revision for part of NRS 597.713)

NRS 624.915 “Work concerning a residential pool or spa” defined.

1. “Work concerning a residential pool or spa” means any of the following acts, if performed for a fee:

(a) The design, construction, repair, maintenance, restoration, alteration or improvement of any residential swimming pool or spa, regardless of use, including the repair or replacement of existing equipment or the installation of new equipment, as necessary; or

(b) Any consultation or supervision concerning such work.

2. The scope of such work includes layout, excavation, operation of construction pumps for removal of water, steelwork, construction of floors, installation of gunite, fiberglass, tile and coping, installation of all perimeter and filter piping, installation of all filter equipment and chemical feeders of any type, plastering of the interior, construction of decks, installation of housing for pool equipment and installation of packaged pool heaters.

3. The scope of such work also includes the installation of plumbing, including, without limitation, connections to potable water, and the installation of gas lines if the contractor holds classifications for such work pursuant to [NRS 624.925](#).

(Added to NRS by 1997, 2698; A [2001, 2977](#); [2005, 2377](#))—(Substituted in revision for part of NRS 597.713)

NRS 624.920 License or other authorization required to perform work concerning residential pool or spa. A person shall not, directly or indirectly, perform or offer to perform, for a fee, any work concerning a residential pool or spa or any consultation or supervision concerning such work or otherwise hold himself out as being able to perform such acts for a fee, unless the person holds:

1. A license as a contractor or subcontractor under state law which authorizes the person to perform such acts for a fee; or

2. Any other license, certificate, registration or permit under state law which authorizes the person to perform such acts for a fee.

(Added to NRS by [2005, 2376](#))

NRS 624.925 Classifications of licensing.

1. The Board shall adopt regulations to provide for classifications of licensing that authorize a contractor who performs work concerning a residential pool or spa to perform, in connection with such work, the installation of:

(a) Plumbing, including, without limitation, connections to potable water; and

(b) Gas lines.

2. The regulations adopted by the Board must include, without limitation, regulations establishing the qualifications, training and examinations that are required for such classifications.

(Added to NRS by [2005, 2376](#))

NRS 624.930 Contractor and subcontractor required to obtain permits and meet certain requirements; certain owner-builders required to submit information regarding bonds and insurance; supervision and control of work; license or other authorization required to perform certain acts for owner-builder.

1. Any contractor or subcontractor who performs work concerning a residential pool or spa shall, regardless of whether the work is performed under the direction of a builder who is also the owner of the property being improved:

(a) Apply for and obtain all applicable permits for the project; and

(b) Meet all applicable requirements imposed pursuant to this chapter and any regulations adopted by the Board with respect to contracts for work concerning a residential pool or spa.

2. If a contractor or subcontractor performs work concerning a residential pool or spa and the work is performed under the direction of a builder who is also the owner of the property being improved, the owner shall comply with all state and local laws and ordinances for the submission of names, licenses and information concerning any required bonds and insurance with respect to the contractors and subcontractors working on the project.

3. With respect to a contract for work concerning a residential pool or spa, the work performed pursuant to such a contract must be supervised and controlled directly by the qualified employee or qualified officer of the contractor.

4. If work concerning a residential pool or spa is performed under the direction of a builder who is exempt from having to obtain a license as a contractor because the builder is also the owner of the property being improved, a person shall not, directly or indirectly, perform or offer to perform, for a fee, any act as a consultant, adviser, assistant or aide to the builder for the purposes of the project, including, without limitation, any act associated with obtaining permits for the project, or otherwise hold himself out as being able to perform such acts for a fee, unless the person holds:

(a) A license as a contractor or subcontractor under state law which authorizes the person to perform such acts for a fee; or

(b) Any other license, certificate, registration or permit under state law which authorizes the person to perform such acts for a fee.

(Added to NRS by [2001, 2976](#); A [2003, 1233](#); [2005, 2377](#))—(Substituted in revision for NRS 597.715)

NRS 624.935 Duties of contractor regarding commencement, performance and completion of work; contract to explain rights of customer; conditions for final payment.

1. A contractor who receives an initial down payment or deposit of \$1,000 or 10 percent of the aggregate contract price, whichever is less, for work concerning a residential pool or spa shall start the work within 30 days after the date all necessary permits for the work, if any, are issued, unless the person who made the payment agrees in writing to a longer period to apply for the necessary permits or start the work or to longer periods for both.

2. A contractor who receives money for work concerning a residential pool or spa shall complete the work diligently and shall not refuse to perform any work for any 30-day period.

3. If satisfactory payment is made for any portion of the work performed, the contractor shall, before any further payment is made, furnish the owner a full and unconditional release from any claim of mechanic’s lien for that portion of the work for which payment has been made.

4. The requirements of subsection 3 do not apply if the contract provides for the contractor to furnish a bond for payment and performance or joint control covering full performance and completion of the contract and the bond or joint control is furnished by the contractor.

5. A contract for work concerning a residential pool or spa must contain a written statement explaining the rights of the customer under [NRS 624.900](#) to [624.965](#), inclusive, and other relevant statutes.

6. A contractor may require final payment for the final stage or phase of the construction of a residential pool or spa after the completion of the plastering and the final inspection by the local building department, unless any installation of equipment, decking or fencing that is required in the contract is not completed.

(Added to NRS by 1997, 2698; A [2001, 2978](#); [2005, 2378](#))—(Substituted in revision for NRS 597.716)

NRS 624.940 Mandatory elements and required information in contracts; contractor to furnish copy of signed documents and receipt for money paid; certain contracts void; contractor to apply for and obtain necessary permits.

1. The Board shall adopt by regulation mandatory elements to be included in all contracts to be used by contractors for work concerning a residential pool or spa. Such mandatory elements must not be waived or limited by contract or in any other manner. On and after October 1, 2001, any contract entered into between a contractor and the owner of a single-family residence for work concerning a residential pool or spa must comply with the standard elements adopted by the Board. A contract that does not comply with the standard elements adopted by the Board is void and unenforceable against the owner.

2. Any such contract in an amount of more than \$1,000 must contain in writing at least the following information:

(a) The name of the contractor and his business address and license number.

(b) The name and mailing address of the owner and the address or legal description of the property.

(c) The date of execution of the contract.

(d) The estimated date of completion of all work to be performed under the contract.

(e) A description of the work to be performed under the contract.

(f) The total amount to be paid to the contractor by the owner for all work to be performed under the contract, including all applicable taxes.

(g) The amount, not to exceed \$1,000 or 10 percent of the aggregate contract price, whichever is less, of any initial down payment or deposit paid or promised to be paid to the contractor by the owner before the start of construction.

(h) A statement that the contractor has provided the owner with the notice and informational form required by [NRS 624.600](#).

(i) A statement that any additional work to be performed under the contract, whether or not pursuant to a change order, which will require the owner to pay additional money and any other change in the terms in the original contract must be agreed to in writing by the parties and incorporated into the original contract as a change order. A change order is not enforceable against the owner contracting for work concerning a residential pool or spa unless the change order clearly sets forth the scope of work to be completed and the price to be charged for the changes and is signed by the owner.

(j) A plan and scale drawing showing the shape, size, dimensions and the specifications for the construction and equipment for the residential pool or spa and for other home improvements, and a description of the work to be done, the materials to be used and the equipment to be installed, and the agreed consideration for the work.

(k) Except as otherwise provided in this subsection, the dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments during the course of construction under the contract. The schedule of payments must show the amount of each payment as a sum in dollars and cents. The schedule of payments must not provide for the contractor to receive, nor may the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except for an initial down payment or deposit as authorized by subsection 1 of [NRS 624.935](#) or the regulations adopted by the Board. With respect to a contract executed before October 1, 2001, if any schedule of payments set forth in the contract does not comply with the provisions of this chapter or any regulations adopted pursuant thereto:

(1) The obligation of the owner to make payments in accordance with the payment schedule shall be deemed void and unenforceable; and

(2) The lender, if any, may not initiate proceedings to enforce the payment of any applicable loan unless and until the contract is reformed or otherwise amended to comply with those provisions of law.

➤ The provisions of this paragraph do not apply if the contractor has furnished a bond for payment and performance covering full performance and completion of the contract and the cost of the bond is included in the price of the project or if the contractor builds a residential pool or spa as part of the original building plan pursuant to which the contractor builds a single-family residence on the premises.

(l) If the contract provides for payment of a commission to a salesperson out of the contract price, a statement that the payment must be made on a pro rata basis in proportion to the schedule of payments made to the contractor by the disbursing party in accordance with the provisions of paragraph (k).

➤ Except as otherwise provided in subsection 5, the contract may contain such other conditions, stipulations or provisions as to which the parties may agree.

3. The contract must contain:

(a) A method whereby the owner may initial provisions of the contract, thereby indicating that those provisions have been read and are understood.

(b) In close proximity to the signatures of the owner and the contractor, a notice stating that the owner:

(1) May contact the Board if assistance is needed to clarify any of the provisions of the contract that the owner does not fully understand; and

(2) Has the right to request a bond for payment and performance if such a bond is not otherwise required pursuant to [NRS 624.270](#).

4. At the time the owner signs the contract, the contractor shall furnish him a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner. All written information provided in the contract must be printed in at least 10-point bold type.

5. A condition, stipulation or provision in a contract that requires a person to waive any right provided by [NRS 624.900](#) to [624.965](#), inclusive, or relieves a person of an obligation or liability imposed by those sections is void. Failure to comply with the requirements of [NRS 624.900](#) to [624.965](#), inclusive, renders a contract void and unenforceable against the owner.

6. The contractor shall apply for and obtain all necessary permits.

(Added to NRS by 1997, 2699; A [2001, 2978](#); [2005, 2378](#))—(Substituted in revision for NRS 597.719)

NRS 624.945 Standards for advertisements; prohibited advertising practices.

1. The Board shall adopt by regulation standards for advertisements used by contractors in connection with the solicitation or sale of contracts for work concerning residential pools or spas.

2. The regulations adopted pursuant to subsection 1 must prohibit a contractor from employing "bait and switch" advertising or otherwise intentionally publishing, displaying or circulating any advertisement which is misleading or inaccurate in any material particular or which misrepresents any of the goods or services sold or furnished by the contractor to members of the public.

3. The Board shall, in adopting the standards required by subsection 1, give consideration to the provisions of [chapter 598](#) of NRS relating to advertisements that constitute deceptive trade practices and, to the extent practicable, adopt standards that are at least as stringent as those

provisions.

4. A contractor shall not cause to be published or display or circulate any advertisement that does not comply with the standards adopted by the Board pursuant to subsection 1.

5. As used in this section, “bait and switch” advertising has the meaning ascribed to it in [NRS 482.351](#).

(Added to NRS by [2001, 2975](#); A [2005, 2380](#))—(Substituted in revision for NRS 597.7191)

NRS 624.950 Limitations on contractor’s involvement with entities engaged in certain lending and financial services.

1. Except as otherwise provided in this section and [NRS 624.955](#), a contractor who performs work concerning a residential pool or spa shall not act as, or carry out the duties of, an officer, director, employee or owner of a bonding company, finance company, or any other corporation or business entity who cosigns, underwrites, obtains a deed of trust for, issues, sells, purchases or acquires a loan to finance work concerning a residential pool or spa.

2. The provisions of this section do not prohibit a contractor from owning, holding or possessing, either directly or indirectly through a mutual fund or any other financial arrangement or investment plan, any stocks or other securities issued by a company, corporation or business entity described in subsection 1 if:

(a) The stocks or other securities are offered openly to the public through a securities exchange; and

(b) The contractor does not own, hold or possess a controlling interest in the company, corporation or business entity.

(Added to NRS by [2001, 2976](#); A [2003, 1234](#); [2005, 2381](#))—(Substituted in revision for NRS 597.7192)

NRS 624.955 Limitations on certain lending and financial practices.

1. A contract for work concerning a residential pool or spa is not enforceable against the owner if the obtaining of a loan for all or a portion of the contract price is a condition precedent to the contract unless all of the following requirements are satisfied:

(a) A third party agrees to make the loan or give the financing.

(b) The owner agrees to accept the loan or financing.

(c) The owner does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or [chapter 598](#) of NRS, if applicable.

2. Unless and until all applicable requirements of subsection 1 are satisfied, a contractor shall not:

(a) Perform or deliver any work, labor, material or services; or

(b) Represent in any manner that the contract is enforceable or that the owner has any obligation under the contract.

3. A contract for work concerning a residential pool or spa is not enforceable against the owner if the contractor provides a loan or gives financing for all or a portion of the contract price unless all of the following requirements are satisfied:

(a) The owner agrees to accept the loan or financing.

(b) The owner does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or [chapter 598](#) of NRS, if applicable.

4. Unless and until all applicable requirements of subsection 3 are satisfied, a contractor shall not:

(a) Perform or deliver any work, labor, material or services; or

(b) Represent in any manner that the contract is enforceable or that the owner has any obligation under the contract.

5. A contract for work concerning a residential pool or spa is not enforceable against the owner if the contractor receives from a third party, either directly or indirectly, remuneration or any other thing of value for a loan to finance the work and that fact is not disclosed in writing in the contract.

6. As used in this section, “third party” means a bonding company, finance company, or any other corporation or business entity who cosigns, underwrites, obtains a deed of trust for, issues, sells, purchases or acquires a loan to finance work concerning a residential pool or spa.

(Added to NRS by [2001, 2976](#); A [2005, 2381](#))—(Substituted in revision for NRS 597.7194)

NRS 624.960 Contractor who commits certain violations may be required to obtain services of construction control.

1. If a contractor who performs work concerning a residential pool or spa is determined by the Board to have violated:

(a) One or more of the provisions of [NRS 624.301](#) to [624.305](#), inclusive, or [624.920](#), [624.935](#) or [624.940](#); or

(b) Any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa,

the Board may require that the contractor obtain the services of a construction control for each contract that the contractor enters into for work concerning a residential pool or spa.

2. The contractor may not:

(a) Be related to the construction control or to an employee or agent of the construction control; or

(b) Hold, directly or indirectly, a financial interest in the business of the construction control.

3. As used in this section, “construction control” has the meaning ascribed to it in [NRS 627.050](#).

(Added to NRS by [2001, 2975](#); A [2005, 2382](#))—(Substituted in revision for NRS 597.7196)

NRS 624.965 Grounds for disciplinary action; unlawful acts; penalties.

1. A violation of any provision of [NRS 624.900](#) to [624.965](#), inclusive, or any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa by a contractor constitutes cause for disciplinary action pursuant to [NRS 624.300](#).

2. It is unlawful for a person to violate any provision of [NRS 624.900](#) to [624.965](#), inclusive.

3. Any person who violates any provision of [NRS 624.900](#) to [624.965](#), inclusive:

(a) For a first offense, is guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000, and may be further punished by imprisonment in the county jail for not more than 6 months.

(b) For the second offense, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 1 year.

(c) For the third or subsequent offense, is guilty of a class E felony and shall be punished by a fine of not less than \$5,000 nor more than \$10,000 and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.

4. The imposition of a penalty provided for in this section is not precluded by any disciplinary action taken by the Board against a contractor pursuant to the provisions of [NRS 624.300](#) to [624.305](#), inclusive.

(Added to NRS by [2001, 2977](#); A [2005, 2382](#))—(Substituted in revision for NRS 597.7198)